



Village of Grosse Pointe Shores, A Michigan City

ANNUAL BUDGET FISCAL YEAR ENDING JUNE 30, 2020

795 Lake Shore Road | Grosse Pointe Shores MI 48236 | 313 881 6565

CITY COUNCIL

Ted Kedzierski, Mayor

Bruce Bisballe, Mayor Pro Tem

Robert Barrette, Council Member

Tina Ellis, Council Member

Robert Gesell, Council Member

Doug Kucyk, Council Member

Matthew Seely, Council Member

Bruce Nichols, Clerk



FINANCE COMMITTEE

Bruce Bisballe, Chair

Tina Ellis

Robert Gesell

Ted Kedzierski, Mayor

Chuck Ruifrok, Citizen Representative

ADMINISTRATIVE STAFF

Mark Wollenweber, City Manager

Rhonda Ricketts, Finance Officer/Treasurer

Brett Smith, Director of Public Works

John Schulte, Director of Public Safety



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Village of Grosse Pointe Shores
Michigan**

For the Fiscal Year Beginning

July 1, 2018

Christopher P. Morill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented the Distinguished Budget Presentation Award to the Village of Grosse Pointe Shores for the annual budget beginning on July 1, 2018.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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ANNUAL BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2020 INTRODUCTION

Thank you for your interest and time in viewing the report that follows.

The Annual Operating Budget for the fiscal year beginning July 1, 2019 and ending June 30, 2020 is presented in this report to assist the reader in understanding the funding available to the Village of Grosse Pointe Shores and how the City spends these funds in the best interest of this wonderful community and its residents/taxpayers.

Every municipal government operates with various funds. Each fund has specific funding sources and specific expenditures allowed for these funds. One might consider each fund as a separate business within the City. The main fund of the Village of Grosse Pointe Shores is the General Fund.

The annual operating budget is prepared under specific procedures that are required by State law, Generally Accepted Accounting Principles and/or by City charter that are discussed in detail within this report.

The intention of the report is to provide the reader information related to the City's finances and budget process by being open and transparent.

We have tried to make this document easy to follow and read, and have presented many pictures, graphs and textual descriptions of our activities.

Thank you for your time and interest as you look through this document. Should you have any questions about the information presented, please feel free to contact our office at (313) 881-6565. This document is also available on our website – www.gpshoresmi.gov.

Sincerely,

Rhonda Ricketts
Finance Officer/Treasurer

Mark Wollenweber
City Manager

MISSION STATEMENT

Working as a team, our mission is to consistently provide the best municipal services, facilities and programs for our residents. In the eyes of our residents, the Village of Grosse Pointe Shores will be distinguished as a community that is truly exceptional.



VILLAGE OF
GROSSE POINTE
SHORES,
A Michigan City

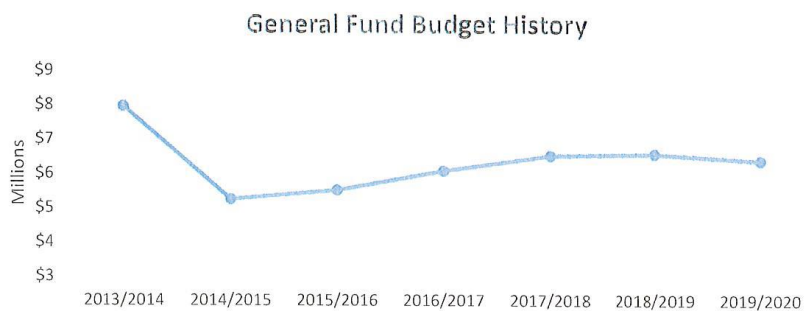
May 21, 2019

The Finance Committee and staff are pleased to recommend to the City Council the balanced budget for the Village of Grosse Pointe Shores, A Michigan City for fiscal year 2019/2020. The proposed budget and forecasted budgets through 2023/2024 are the result of numerous meetings of the Finance Committee and many hours by Finance Officer/Treasurer, Rhonda Ricketts. This budget meets our Charter requirements and is in compliance with State law.

The goal of this budget was to keep the City's tax rate the same as last year's overall tax rate while still maintaining and improving our infrastructure and services to our residents.

Work on the fiscal year budget begins with all department heads evaluating their needs for the upcoming year. The department heads research vendors and pricing information so that complete and accurate information is forwarded to the Finance Committee for consideration. At the first Finance Committee meeting devoted to the new budget, further discussion occurs on these requests and additional information may be requested from the department head. In most cases the information provided is more than adequate for the request to become part of the new budget.

The total general fund budget for fiscal year 2019/2020 is \$6,399,846 compared to the previous fiscal year amended budget of \$6,589,744. A decrease of 2.9%. The decrease is largely due to the park renovations and improvements that are nearly complete.



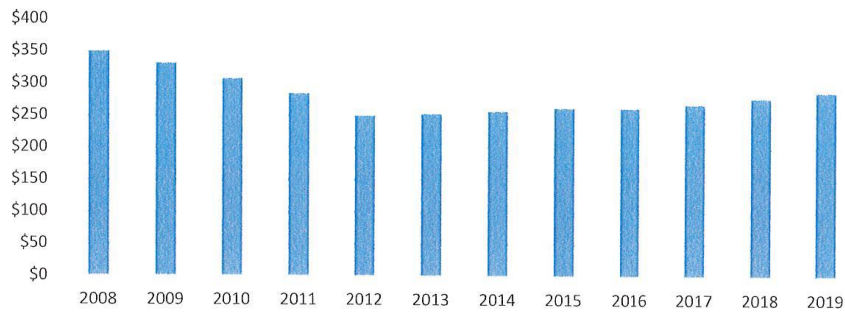
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Please note that the budget numbers for the 2013/2014 fiscal year included the Honeywell Energy Project. The budget total adjusted for the Energy Project that year would be \$5,052,939 versus \$7,987,112.

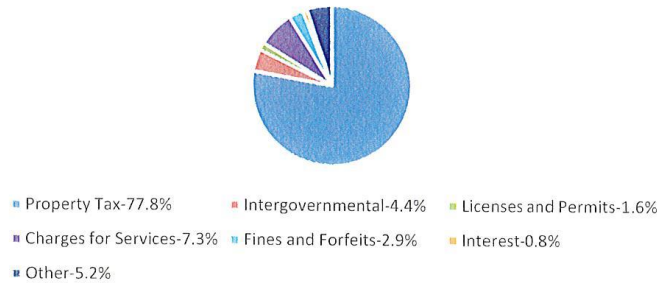
The largest source of revenue in the general fund is taxes, making up 77.8% of revenues in the proposed budget. The City has experienced an increase in taxable value over the past seven years with the exception of 2016 where the taxable valuation remained nearly the same. However, the taxable valuation is still \$62 million lower than its peak in 2008. This loss equates to nearly \$1.1 million at today's tax rate in loss revenue for the general fund.

Taxable Value History



State law (Proposal A) limits the increase in taxable value by the rate of inflation or 5% whichever is less, unless the property is sold (uncapped) or improvements are added which increases the value of the property. For the last four years, the rate of inflation has averaged only 1.425%.

General Fund Budget
Revenue Source

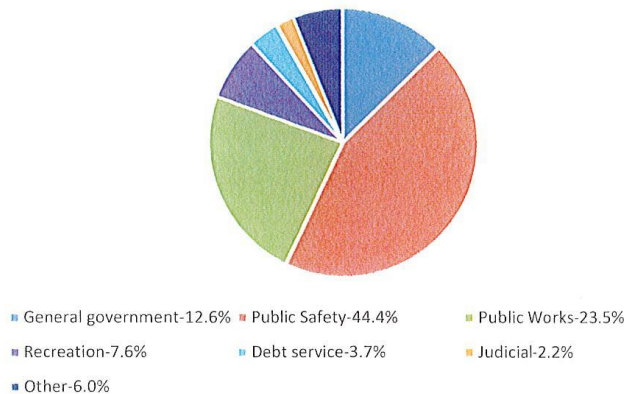


Expenditures in the General Fund proposed budget have also decreased 2.9% from the current amended fiscal year budget. Once again this is largely due to the park renovations and improvements that are very close to completion.

The largest expenditure category for the General Fund is the Public Safety Department at \$2,846,424 or 44.4% of the total general fund budget. The Public Safety Department is the largest department in terms of employees with 18 full-time officers and 12 part-time employees. As we are all very aware of, the Public Safety Department is responsible for the protection and safety of our community and is held in high regards by our residents.

The second largest expenditure category in the General Fund is Sanitation, a division of the Public Works Department. Another service that is greatly appreciated by our residents is the collection of household waste, yard waste and recycling items. The Sanitation budget total typically remains stable from year to year, with the exception of employee costs rising and the occasional purchase of replacement equipment.

General Fund Budget
Expenditure Categories



The proposed General Fund budget includes the purchase of Public Safety breathing apparatus refill system (joint purchase), purchases on two Public Safety radios, the purchase of a Public Safety patrol vehicle, the purchase of a lawn mower, the replacement of a fuel pump, the replacement of a Public Works garage door, the addition of a part-time park director, inflation adjusted increases to insurance, fuel and energy costs, expected contractual wage increases for employees and the addition of more park gate guards for park security and safety.

We would like to thank the Finance Committee members (Chairman Bisballe, Members Gesell, Ellis and Ruifrok) along with Public Safety Director Schulte and Public Works Director Smith for their many hours of work, input and cooperation in helping to create a balanced budget that will continue to make our community welcoming, safe and proud.

We welcome your comments and questions that you may have.



Mark Wollenweber
City Manager



Rhonda Ricketts
Finance Officer/Treasurer

Notice of Public Hearing

NOTICE OF PUBLIC HEARING ON
PROPOSED 2019 CITY PROPERTY TAXES
AND 2019/2020 BUDGET

The Council of the Village of Grosse Pointe Shores, A Michigan City will hold a public hearing during its regularly scheduled meeting, 7:00 p.m., Tuesday, May 21, 2019 in the first floor Council Chambers of the Grosse Pointe Shores Municipal Building, 795 Lake Shore Road, for the purpose of discussing adoption of the 2019–2020 Budget.

The subject of this hearing is the property tax millage rate of 16.8055 proposed to be levied on July 1, 2019 to support the proposed General Fund Budget. If adopted, the proposed millage will generate \$4,821,771 in operating revenue from ad valorem property taxes for the general fund, which is a \$179,381 or 3.68% increase compared to the 2018-2019 total tax collection of \$4,642,390.

The City Council expects to take action on the proposed millage rates as well as taking action to approve the aforementioned budget at the Council meeting immediately following the public hearing. The taxing unit publishing this notice, identified above, has complete authority to establish the number of mills to be levied from within its authorized millage rate.

Copies of the proposed budget will be available for public inspection during regular business hours in the Administrative Offices, 795 Lake Shore Road on Wednesday, May 8, 2019 and will also be available for viewing on the City's website (www.gpshoresmi.gov).

Oral or written public comments on the proposed millage rate and the proposed City budget are welcome at the public hearing.

Bruce Nichols, Clerk

GPT: MAY 2, 2019

Resolution - Budget Adoption

Whereas, a public hearing was held on May 21, 2019 as required by City Charter and State Statute,
THEREFORE, BE IT RESOLVED, that the City's 2019/2020 Annual City Budget be adopted as follows:

<u>Revenues</u>		<u>Expenditures</u>	
GENERAL FUND			
Property Taxes	\$4,821,771	City Council	\$ 31,880
Interest/Penalty, Delq Tax	8,000	Judicial	138,917
Tax Admin Fees	148,946	City Manager	235,789
Permits and Inspections Fees	100,000	Shared Expenses	81,500
Dog and Bike Licenses	600	Elections	42,461
Local Community Stabilization	2,067	Financial Administration	493,784
State Constitutional	283,532	Assessing	27,851
State Shared Liquor License Fees	900	Clerk	19,630
CDBG Revenue	20,000	Buildings and Grounds	458,541
Court Fines	57,000	Public Safety	2,846,424
Alcohol Forfeiture Revenues	5,000	Public Works	448,539
Ambulance Fees	45,000	Building Department	85,182
Violation Bureau Fees	125,000	Planning/Zoning	23,084
Interest Earnings	54,000	Sanitation	595,314
Reimbursement, Major Street Fund	40,000	Parks and Recreation	485,641
Reimbursement, Local Street Fund	34,000	Fringe Benefits/Insurance	385,309
Reimbursement, Water	225,000		
Reimbursement, Pension	45,000		
Cable Franchise Fee	79,500		
MMRMA/WC Adjustment	110,000		
Miscellaneous Revenues	54,530		
Donations	10,000		
Proceeds on sale of Capital Asset	20,000		
Surplus Fund used	110,000		
TOTAL	\$ 6,399,846		\$6,399,846

OTHER GOVERNMENTAL FUNDS

	<u>Revenues</u>	<u>Expenditures</u>
MAJOR STREETS FUND	\$246,000	\$246,000
LOCAL STREETS FUND	173,900	173,900
911 SERVICE FUND	33,000	33,000
DRUG LAW ENFORCEMENT FUND	5,000	5,000
DEBT SERVICE FUND	257,547	257,547

On motion of Council Member Gesell, seconded by Council Member Barrette, Council adopted the budget as recommended by the Finance Committee and staff and on a fund and activity basis for the fiscal year 2019/2020. Specifically, the General Fund at the functional level and all other funds at the expenditure level. Approved 5-2.

City Profile

History

The Village of Grosse Pointe Shores lies along the shore line of Lake St. Clair in Wayne and Macomb Counties just north of the City of Detroit. Early settlers of the area were of French descent who established homes and farms along the picturesque waterfront and stretching inland. These farms were known as “strip farms” or “ribbon farms” which ran in many cases several miles from the lake towards the west. The waterfront was an important transportation method for shipment of the crops as well as an irrigation method. As the City of Detroit began its industrialization, many of the area’s business leaders and families of wealth, built summer homes along the waterfront and in some cases also farmed the land. Eventually these summer homes developed into year-round homes with the introduction of the interurban railway system in the 1880’s. The rail system provided easy access from the City of Detroit north and east stretching to the City of Port Huron, allowing an easier commuting system from the growing City of Detroit to spacious land areas to call home. In the early 1900’s, the introduction of the automobile along with the automotive transportation route of Lake Shore Road, provided easier access for many families to settle into the Grosse Pointe area. The farm lands started to develop into estate properties.

Grosse Pointe Shores was incorporated as a Home Rule Village in 1911 with a population of approximately 350 people. The area attracted well known leaders of Detroit businesses including Packard Motors, Ford Motor Company and Burroughs Adding Machine to name a few to build large attractive estates. Following World War II and the construction of the interceptor sewer system, construction began to change the community once again. Many of the strip farms were developed into subdivisions. The new single-family homes were easier and more affordable to manage than the earlier estates. One by one the farm land was disappearing and the Grosse Pointe Shores that we know today was beginning to form. With the rapid growth of homes, a master plan for development was needed to assure the character of the community was maintained as envisioned. The founders of Grosse Pointe Shores adopted the vision of a single-family community in 1924. With the exception of the commercial facility, Grosse Pointe Yacht Club and the last of the original family estates of the Edsel and Eleanor Ford House which is now a tax-exempt visitor attraction, the community remains exclusively a single-family residential community.

In April of 2009, after the voters approved the change of government from a Home Rule Village to a Home Rule City form, the Village of Grosse Pointe Shores became the Village of Grosse Pointe Shores, A Michigan City.



Grosse Pointe Yacht Club

Area



The Village of Grosse Pointe Shores is located in southeast Michigan, just north of the City of Detroit. The smallest of the five Grosse Pointe communities, Grosse Pointe Shores is located along the shoreline of Lake St. Clair approximately 3 ½ miles long and a half mile wide (approximately 1.1 square miles). The Grosse Pointe Public Schools system provides public education K-12 for the residents located within the Wayne County portion of Grosse Pointe Shores while South Lake Schools provide K-12 education for those residents located in the Macomb County portion.

Interstate 94 is located a few minutes away providing easy access to other major interstates for destinations near and far. The Suburban Mobility Authority for Regional Transportation (SMART) bus system for transit in the Detroit Metropolitan Area has several stops available within the City limits. The Detroit Metropolitan Wayne County Airport (commonly known as Detroit Metro Airport) is within a 30-minute drive of Grosse Pointe Shores providing flights domestically and internationally.

Residents are served by several hospitals near Grosse Pointe Shores: St. John Hospital and Medical Center, Beaumont Hospital, and Henry Ford Cottage Hospital. Banking needs of the residents can be adequately served by many locations nearby in the Cities of Grosse Pointe Farms and Grosse Pointe Woods including Bank of America, Comerica Bank, Fifth Third Bank, Flagstar Bank, JP Morgan Chase Bank and Chemical Bank to name a few.

Demographics

As of the 2010 Census, the population of the Village of Grosse Pointe Shores was 3,008 – a 6.6% increase from the 2000 Census. Of the total, 1,080 persons were age 60 or older and 637 were under the age of 20. The median age of residents was 52.2 years of age. Nearly 60% of the residents hold a bachelor's degree or higher. The median household income according to the 2010 American Community Survey was \$122,200 and the Per Capita Income was \$81,545.

The median housing value per the 2010 American Community Survey was \$483,900 with more than one hundred homes valued at \$1 million or more.

Of the nearly 720 acres of land within the Village of Grosse Pointe Shores, 546.6 acres were occupied by single-family homes and 32.8 acres were park, recreation and other open areas of space per the Southeast Michigan Council of Governments (SEMCOG) 2010 Leaf off Imagery.

Taxing

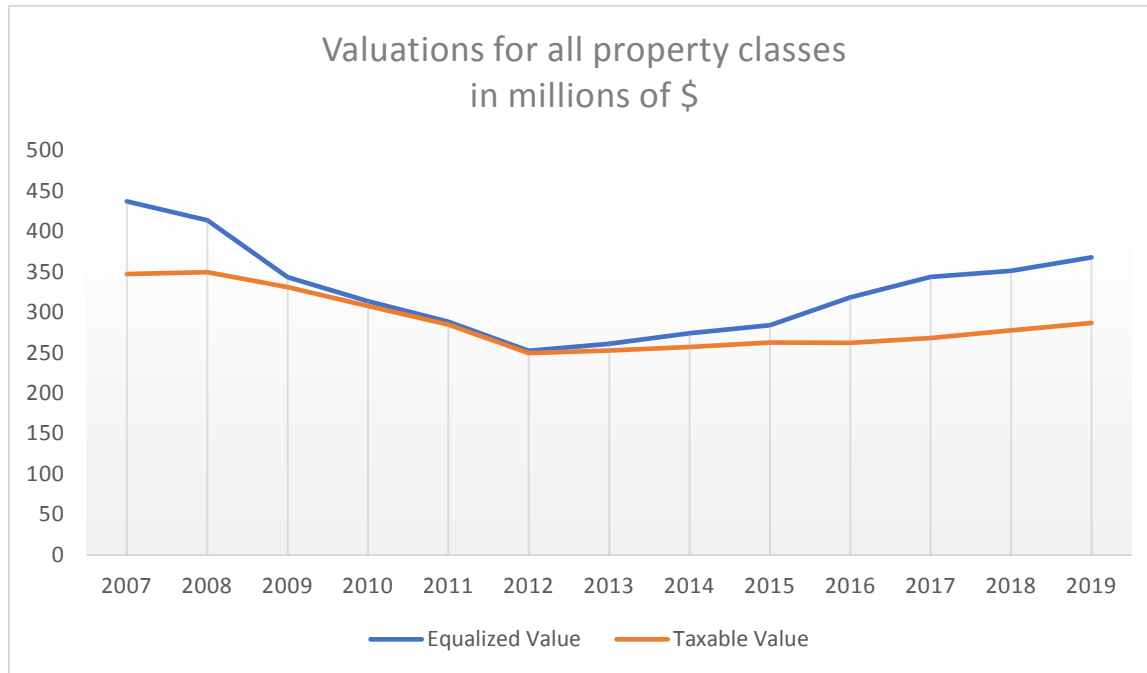
Ninety-eight percent of the City's taxable value is represented by the residential class of property. The balance is made up of commercial real property and personal property. The City has no industrial, agricultural or developmental properties.

The following table lists the top 10 taxpayers in the Village of Grosse Pointe Shores. These taxpayers make up 6.76% of the total taxable value for the City.

Name of Taxpayer	Entity	2019 Taxable Value	% of 2019 Taxable Valuation
Grosse Pointe Yacht Club	Country Club	\$ 3,641,837	1.27%
Ford, Martha F.	Resident	2,377,278	0.83%
Wilson, Mary McLean	Resident	2,248,237	0.78%
Anderson, James A. and Patricia A.	Resident	2,215,116	0.77%
Alandt, Paul D. and Lynn Ford	Resident	1,831,642	0.64%
DTE Gas Company	Utility Company	1,599,400	0.56%
Policherla, Haranath	Resident	1,426,182	0.50%
Rahaim, James	Resident	1,380,352	0.48%
Booth II, John L. and Rebecca C.	Resident	1,356,227	0.47%
Mendelssohn, Paxton and Renee	Resident	1,332,838	0.46%
TOTAL		\$18,725,357	6.76%

In 2008, taxable values decreased for the first time since the adoption of Proposal A due to the downturn in the economy. 2012 marked the lowest year in property values in many years. In 2013 property values in Grosse Pointe Shores began to rise once again.

For 2019, Taxable Values increased by 3.3% and State Equalized Values increased by 4.8% over the 2018 valuations. Overall, Taxable Values and the State Equalized Values are higher than in 2012 by 15% and 46% respectively. The following graph illustrates the fluctuation in Taxable Values and the State Equalized Values since 2007.



Millage Rate**Properties located in Wayne County****Fiscal Year 2018/2019 (1)**

		Homestead	Non-Homestead
		<u>Properties (2)</u>	<u>Properties</u>
Village of Grosse Pointe Shores -	Operating	13.5011	13.5011
	Refuse	1.9986	1.9986
	Pension	1.1050	1.1050
	Debt	0.9183	0.9183
	PA 359	0.1801	0.1801
State Education Tax		6.0000	6.0000
Grosse Pointe Public Schools –	Local	0.0000	18.0000
	Sinking Fund	0.9784	0.9784
	Debt	1.6400	1.6400
	Supplement	6.0943	0.0000
Grosse Pointe Library		2.1925	2.1925
Wayne County		7.8220	7.8220
Wayne County Transit Authority		1.0000	1.0000
Regional Educational Service Agency		5.4643	5.4643
Wayne County Community College		3.2408	3.2408
Huron Clinton Metropolitan Authority		0.2129	0.2129
Detroit Zoological Authority		0.1000	0.1000
Detroit Institute of Arts		0.2000	0.2000
Total Village of Grosse Pointe Shores (Wayne)		\$52.6483	\$64.5540

Millage Rate

Properties located in Macomb County

Fiscal Year 2018/2019 (1)

		Homestead	Non-Homestead
		<u>Properties (2)</u>	<u>Properties</u>
Village of Grosse Pointe Shores -	Operating	13.5011	13.5011
	Refuse	1.9986	1.9986
	Pension	1.1050	1.1050
	Debt	0.9183	0.9183
	PA 359	0.1801	0.1801
State Education Tax		6.0000	6.0000
South Lake Schools –	Local	0.0000	12.7248
	Debt	7.0000	7.0000
	Supplement	4.7188	4.7188
Macomb County		4.5651	4.5651
SMART		1.0000	1.0000
Macomb County Intermediate Schools		2.8945	2.8945
Macomb Community College		1.4640	1.4640
Huron Clinton Metropolitan Authority		0.2129	0.2129
Detroit Zoological Authority		0.0985	0.0985
Detroit Institute of Arts		0.1965	0.1965
Total Village of Grosse Pointe Shores (Macomb)		\$45.8534	\$58.5782

Approximately 96% of the City's SEV is contained in the Grosse Pointe School District, which levies 20.6184 mills for non-principal mills and 8.7127 mills for principal. South Lake Schools overlaps into the geographical boundary of the City with the millage rates of 24.4436 mills for non-principal and 11.7188 mills for principal.

(1) Per \$1,000 of Taxable Value.

(2) Homestead property includes principal residences, qualified agricultural property, qualified forest property and industrial personal property, which is excluded from taxes levied for school operating purposes. Moreover, commercial personal property is exempt from a portion of taxes levied for school operating purposes.

CITY COUNCIL GOALS

The City Council routinely reviews and discusses their visions for our community. These visions include maintaining and improving our community while facing financial realities. Current goals include:

- Promoting a positive image
- Advancement of quality of life
- Maintain and improve infrastructure
- Maintain and improve public facilities and equipment
- Maintain and improve environmental infrastructure
- Crime prevention
- Fire prevention
- Emergency readiness and response
- Enhance neighboring cooperation and communication
- Maintain and improve financial condition
- Maintain and improve human infrastructure
- Maintain and improve use of technology
- Review and update administrative policies and procedures
- Encourage community participation
- Promote partnership with charitable organizations and the City
- Encourage sound ecological practices – recycling and watershed stewardship

Financial Structure

The financial structure of our community consists of various “funds”. Each of these funds are operated like a business and have their own set of books. The General Fund is the main fund for the Village of Grosse Pointe Shores. The General Fund provides the basic core services that you would expect from a city – police, fire, emergency services, administrative services, tax collections, elections, and park maintenance to name several. The largest section of this document is devoted to the revenue and expenditures of the General Fund.

There are six broad function units within the City that may perform activities in one or more funds.

- General Government
- Public Safety
- Public Works
- Recreation and Culture
- Health and Welfare
- Community and Economic Development

In some cases, costs are directly charged to multiple funds – for example, personnel costs accounted for in the General fund are billed to the Water/Sewer fund in the form of personal costs.

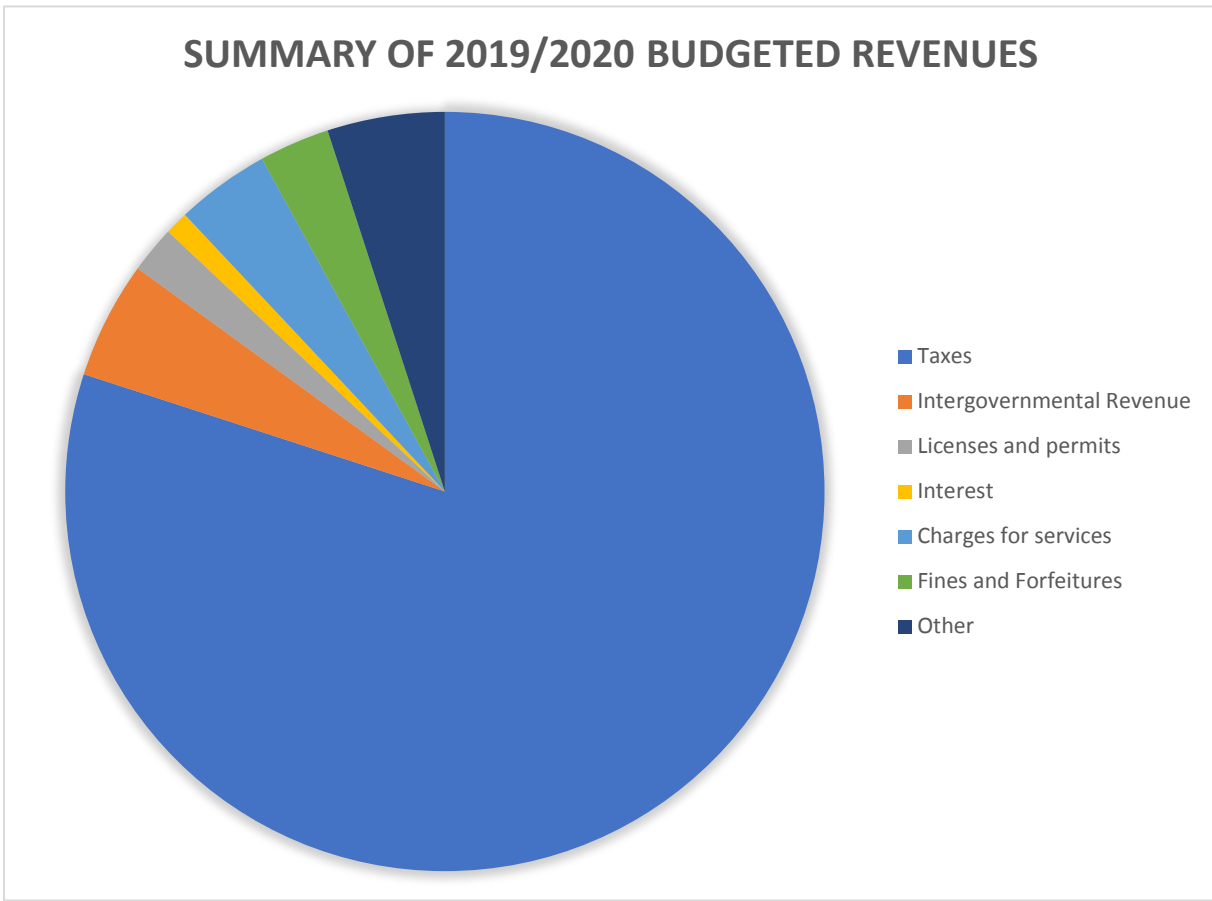
A major fund is one whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the budget. In the State of Michigan, major and local street funds are required to be identified as major funds, and the unit of government may voluntarily identify any other fund as a major fund if it is believed to be useful to do so. The Village of Grosse Pointe Shores’ major funds are the General Fund, Major Streets Fund, Local Streets Fund and the Water and Sewer Fund.

Function	General Fund	Major Streets	Local Streets	Water/Sewer Fund
General Government	X	X	X	X
Public Safety	X			
Public Works	X	X	X	
Recreation and Culture	X			
Health and Welfare	X			
Community and Economic Development	X			

Revenues

Below is a summary of major revenue sources for the City's General Fund. For each revenue source, a brief explanation has been provided. For more detailed information for these items, see the specific revenue section of the budget.

GENERAL FUND

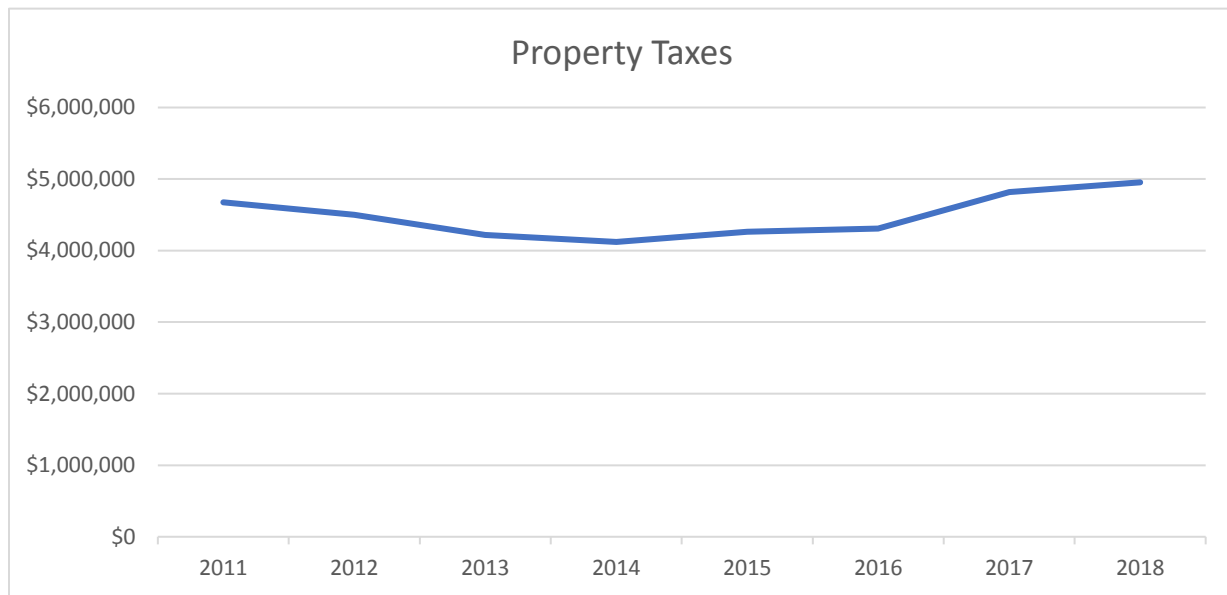


Property Taxes – The City's property taxes levied on property owned within the City are the City's major source of revenue in the general fund. Authorized tax millage rates (one mill equals \$1 in taxes for every \$1,000 in taxable value) are levied against the taxable value of properties located within the City. The Village of Grosse Pointe Shores contracts with WCA Assessing for assessing services. The assessor determines the taxable value and assessed value for all properties located within the City which is then used to calculate the tax levy due each year.

The City Charter authorizes the levy of the City's operating millage. The charter authorizes a maximum levy of 20.0000 mills for operations, however the 2019/2020 Budget reflects levying only 13.2156 in operating taxes and additional millage rates as allowed by law for Public Act 359, Refuse Collection and Debt Service.

Property tax revenue estimates are based on preliminary valuation numbers provided by the assessor. Reductions to this estimate are possible due to taxable value reductions through the Board of Review or the Michigan Tax Tribunal.

Property taxes are levied on each July 1 and the final collection date is the last day of February the following year. Any property taxes that are unpaid are returned to the County in which the parcel is located as part of the County's delinquent tax roll.

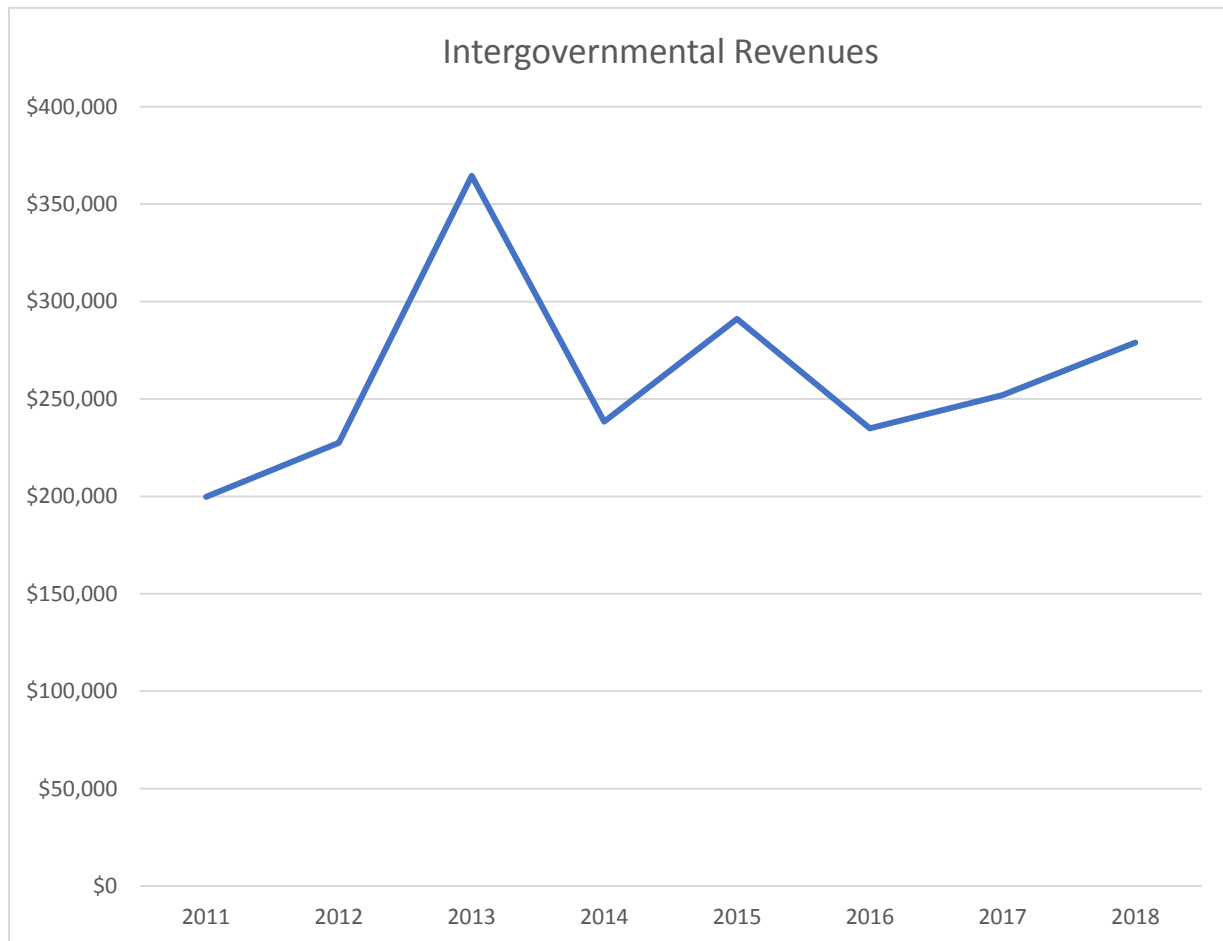


Taxable values are experiencing a modest increase. The values increase at a minimum, by the rate of inflation established by the State of Michigan and Proposal A. For 2019 taxable values the CPI index was 2.4%. Strong residential sales and additional construction will increase the taxable value even higher than the rate of inflation.

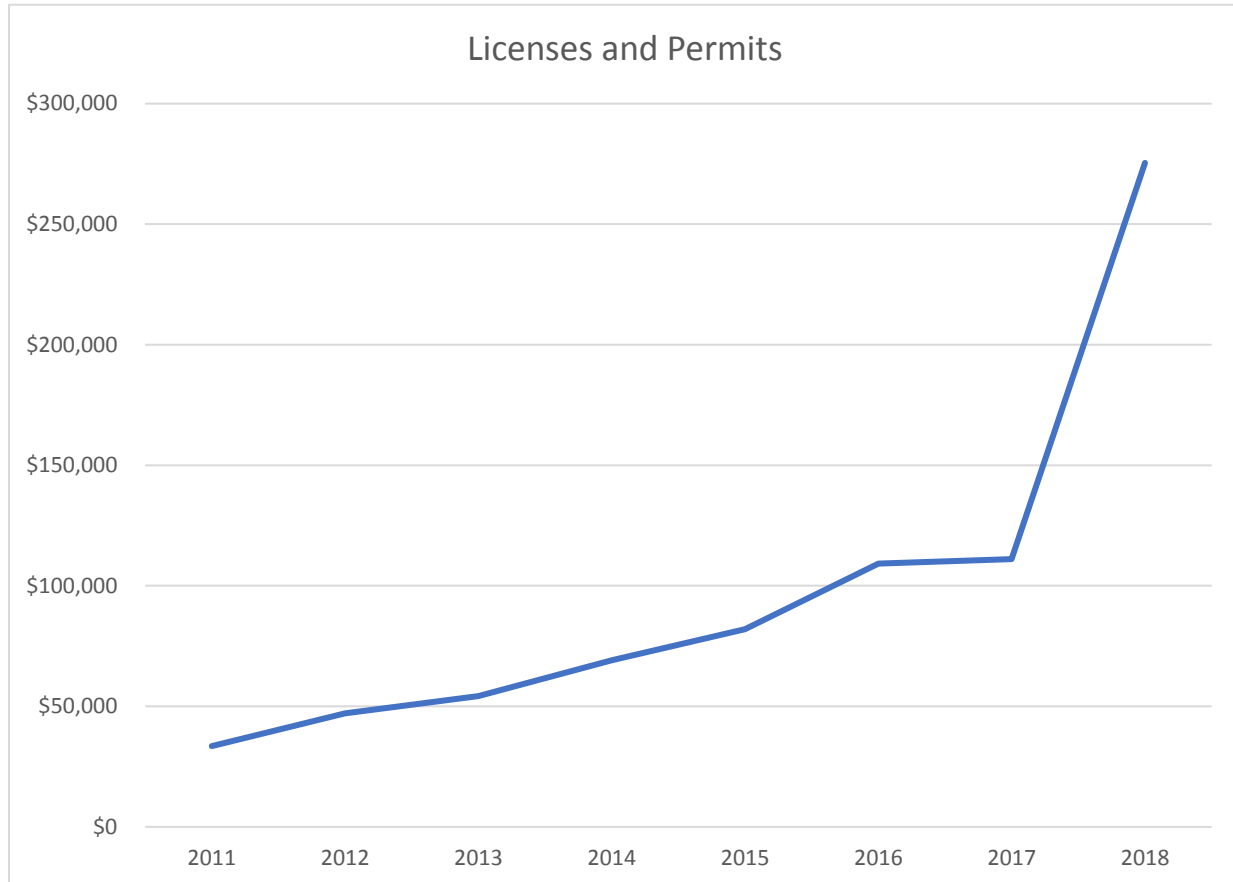
$$\text{Property taxes} = \frac{\text{taxable value} \times \text{millage rate}}{1000}$$

Intergovernmental Revenue – The primary component of intergovernmental revenues is the Michigan State Shared Revenue. The State of Michigan sales tax (6%) is allocated to local municipalities as State Revenue Sharing mainly based on the population of the City. Historically these revenues were a stable source of revenues. As the State of Michigan began to experience financial difficulties, legislative changes were made to the allocation formulas. State shared revenue estimates are available from the State of Michigan and are used for budget projections. For the fiscal year ending June 30, 2020 the estimate is \$283,000.

Additional sources of intergovernmental revenue include State liquor license fees, local community stabilization funds and community development block grants.



Licenses and permits – Permit fees are collected by the City for building, mechanical, plumbing and electrical work performed in our community. The Public Safety department also collects fees for dog, cat and bicycle licenses as well as for snow removal by contractors and special parking arrangements of vehicles and dumpsters.

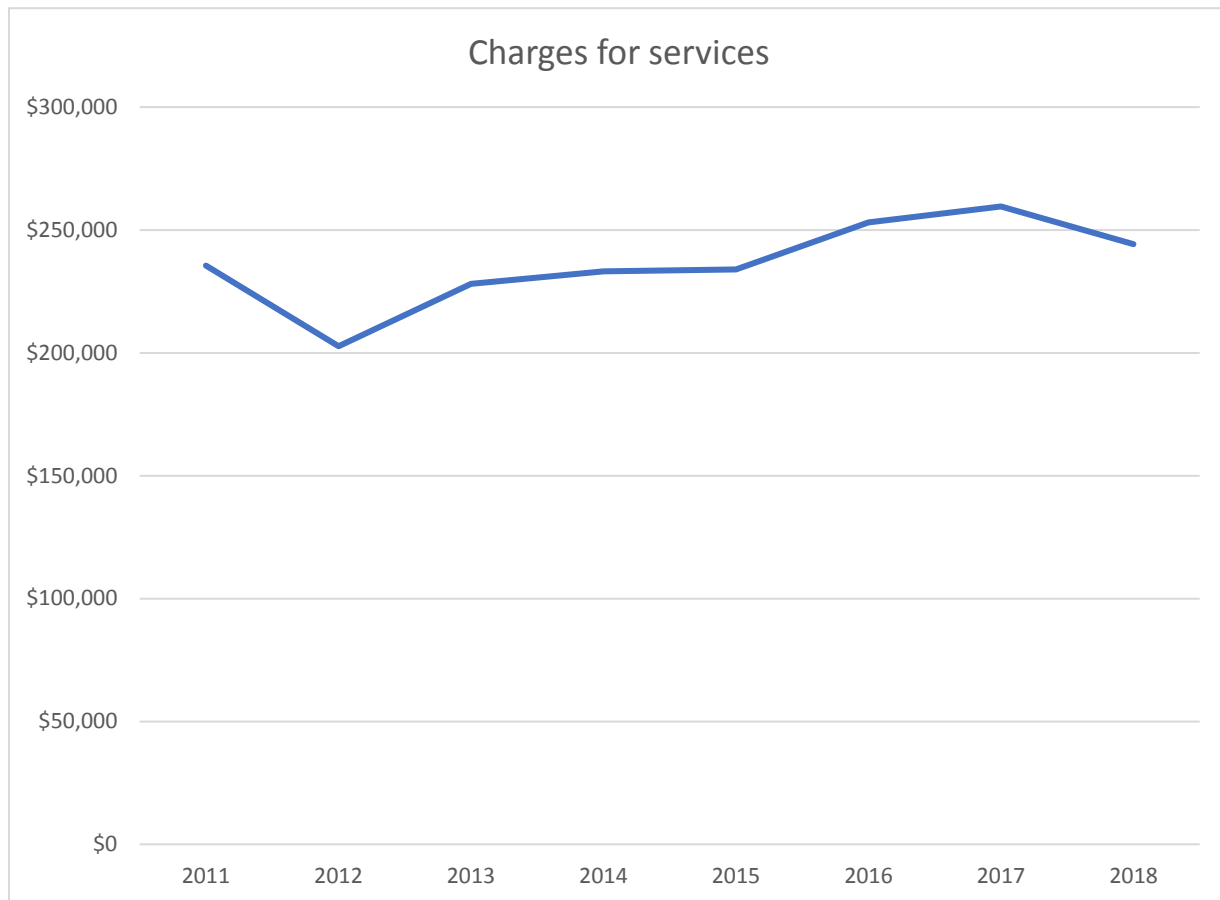


As the above chart displays, there was a large increase in Licenses and Permits for fiscal year ending June 30, 2018. The main reason behind this increase is the large construction project at the Edsel and Eleanor Ford House. The construction project has been estimated at over \$40 million which includes a new welcoming center and administration building. Construction is projected to be completed in late 2020 or early 2021. Additional permits for this project will be required for the fire suppression system.

New home construction is expected to begin during the 2019/2020 fiscal year for a large vacant parcel in the Deeplands Subdivision. This new construction will span several years.

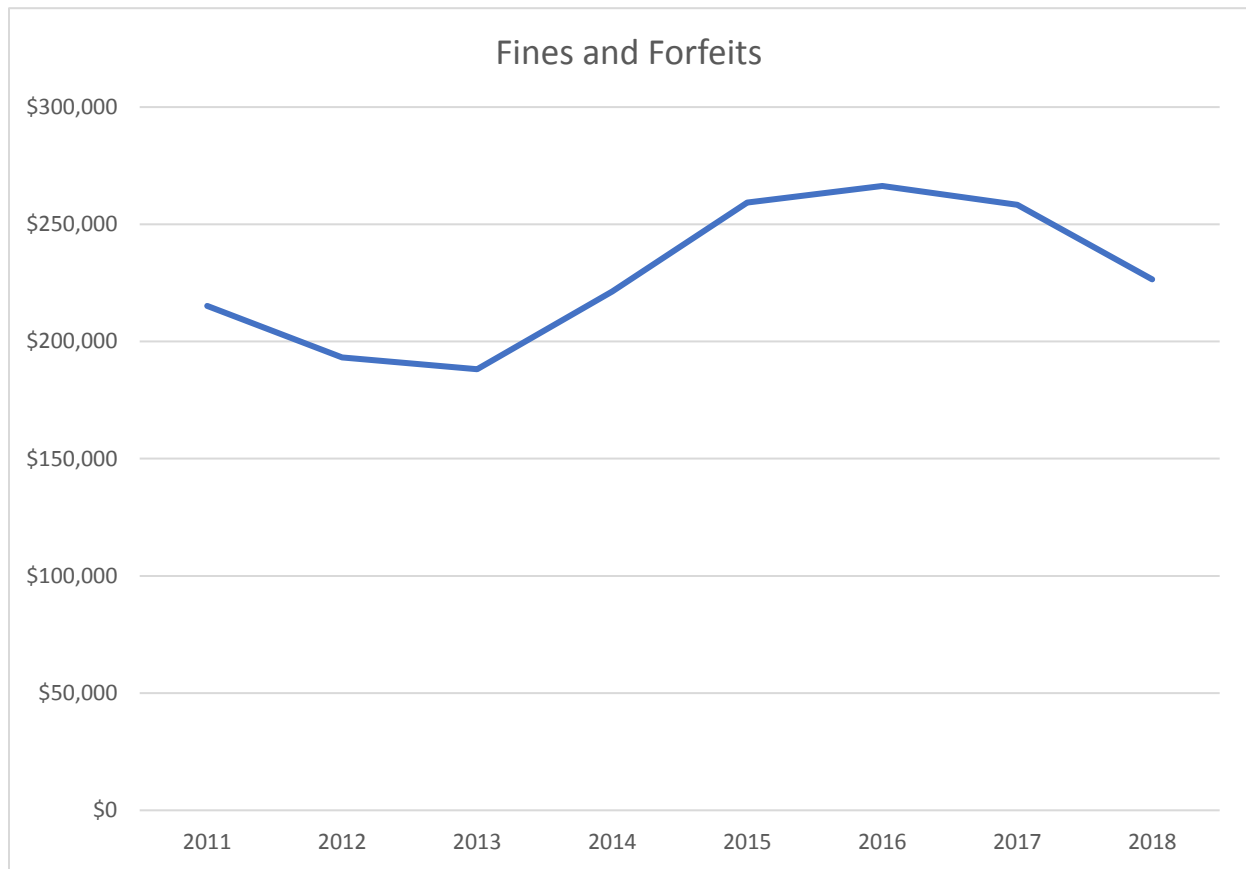
Charges for services – This category includes ambulance service fees and the reimbursements from the Major Road Fund, Local Road Fund and the Pension Fund. These reimbursements cover employee wages and related expenses for work performed in these funds that were paid from the General Fund along with equipment rental rates as set by the State of Michigan’s Department of Transportation schedule.

Ambulance service fees have been recently declining due to reduced service requests from neighboring communities. These communities have out-sourced their ambulance services and the vendor dispatches additional ambulance vehicles to these areas when the need arises.



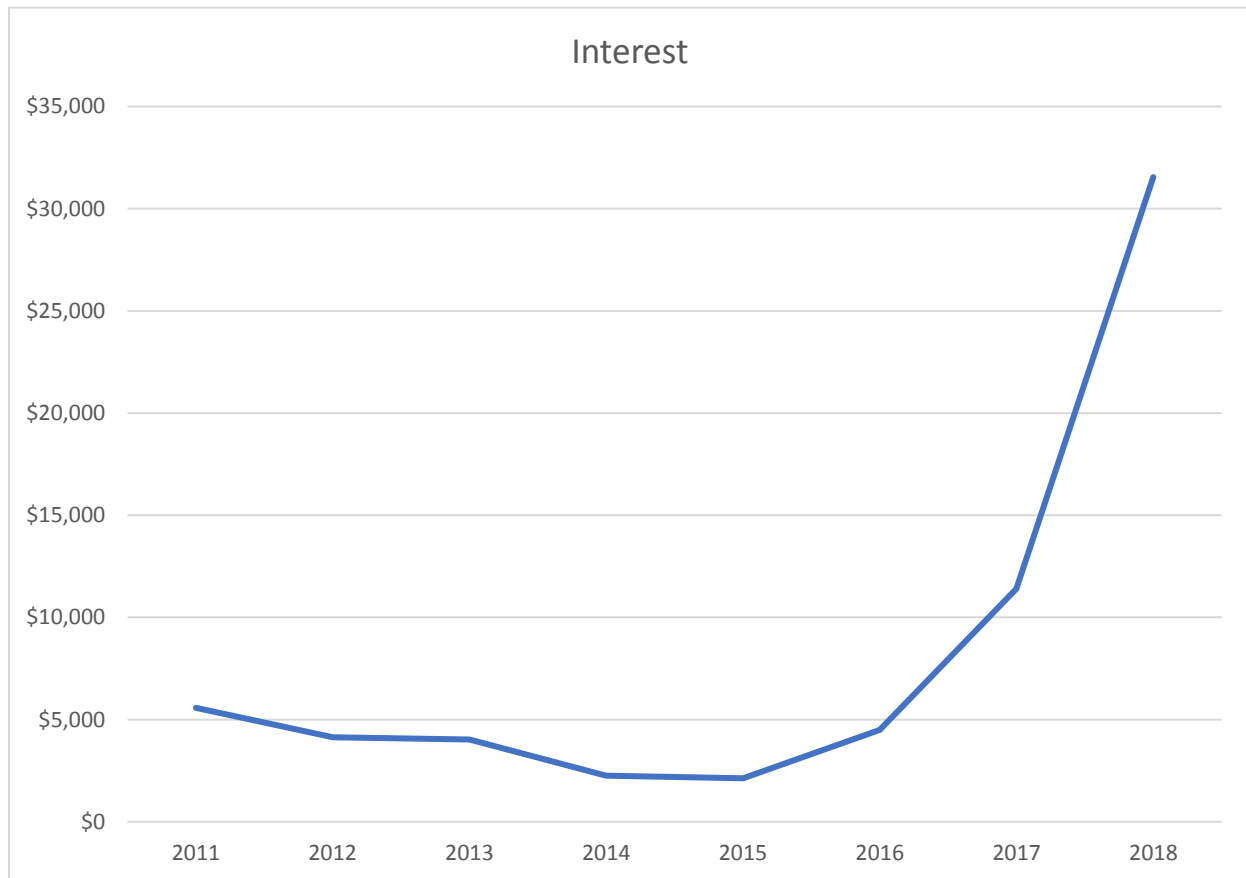
Fines and forfeits – The Public Safety department issues citations for various offenses including moving violations, ordinance violations and criminal arrests. The Municipal Court then receives payment for these violations as determined by the violation schedule and in cases that appear before the municipal judge, other monetary judgments may apply.

Fluctuations are normal as many factors may apply such as the number of violations issued and the number of arrests. Currently these numbers are declining. The good side of this decline is that crime and violations are decreasing. The bad side – so are our revenues.



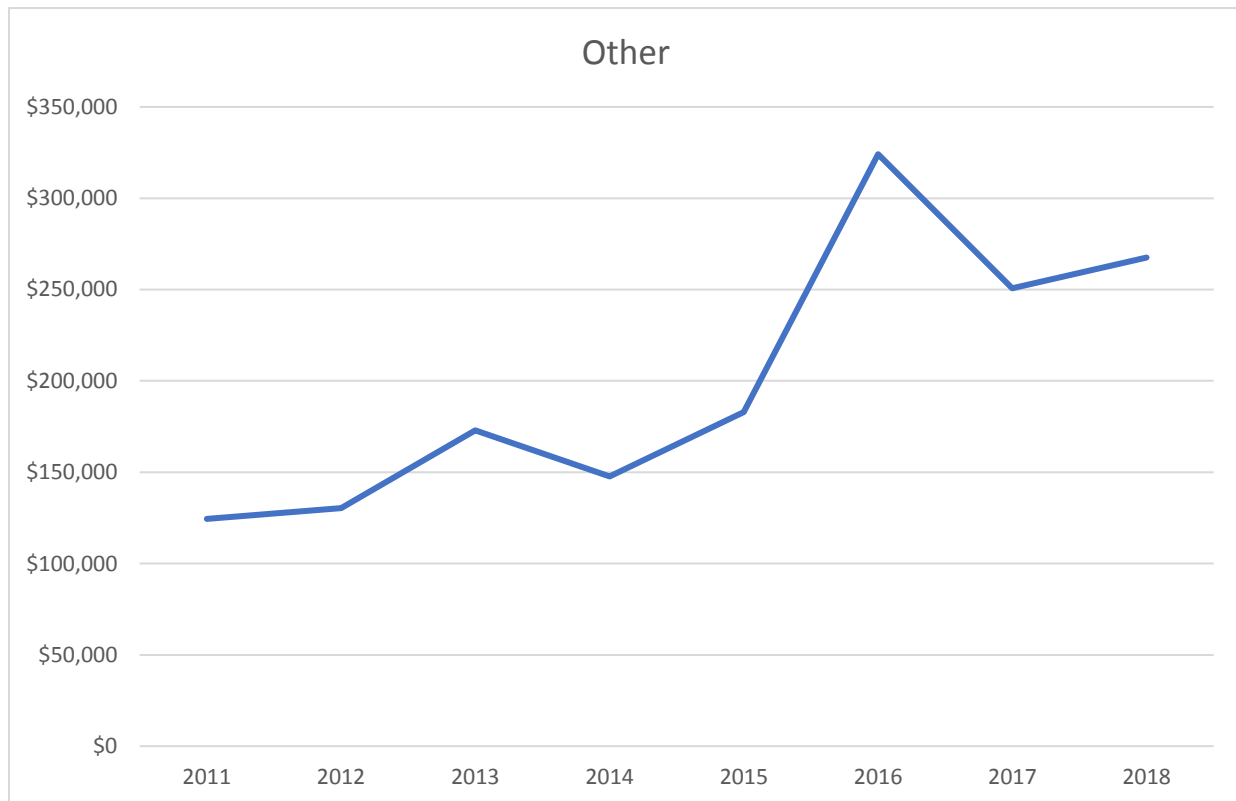
Interest – Funds on hand are invested with several financial institutions earning interest until the funds are needed for current expenditures. The total interest received is based on current interest rates and the amount of funds available for investing.

In recent years, the City's interest revenues have been increasing. As the City has been increasing the Fund Balance reserves, the amount of funds available for investing has increased. That along with investment rates increasing have driven the sharp increase in interest revenues.



Other – This revenue category consists of many items:

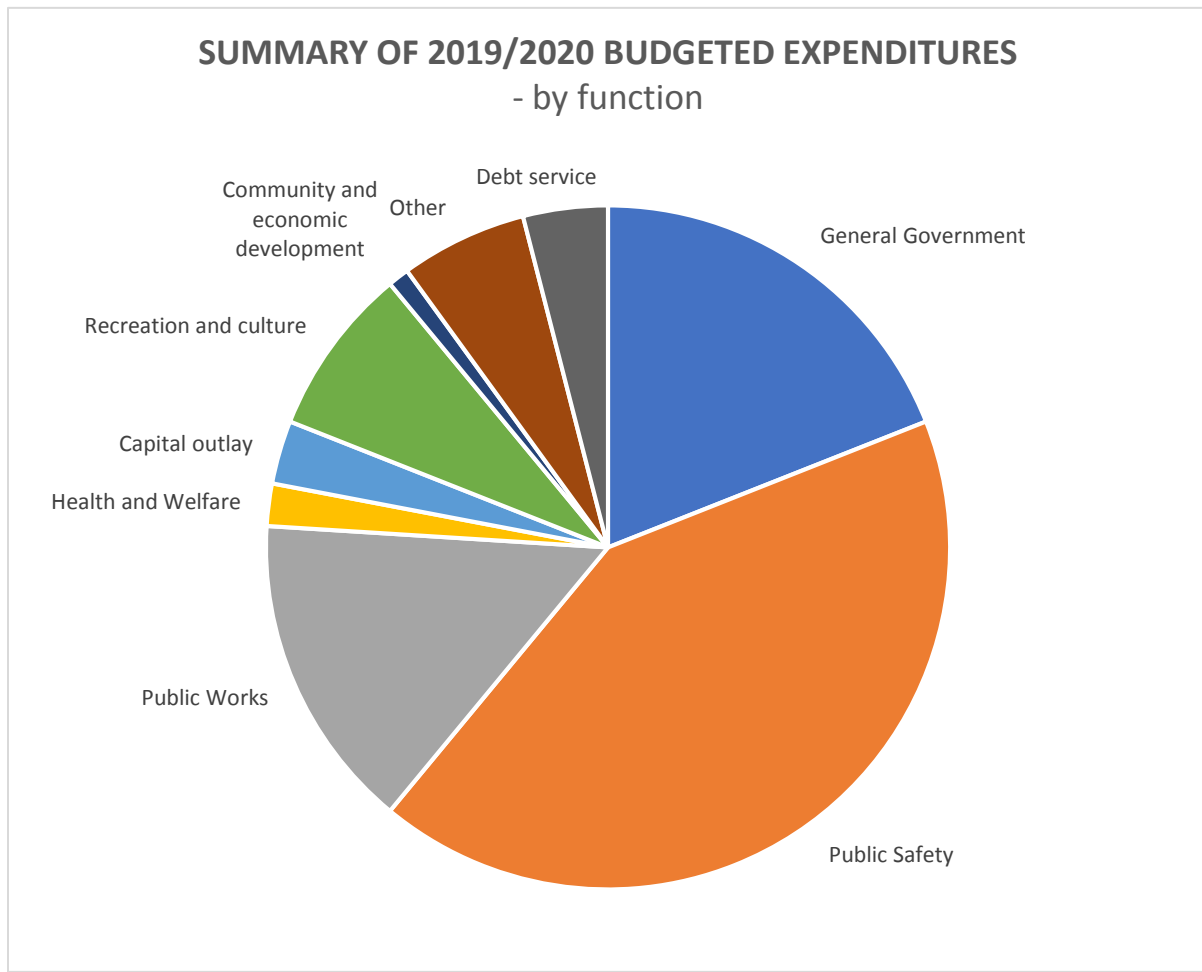
- Cable Franchise Fees – 5% of the revenue that cable providers such as WideOpenWest (WOW), AT&T and Comcast Cable is returned to the City.
- Insurance Adjustments/Refunds – Previous year premium overpayments and distributions from excess assets in pooled insurance.
- Donations – Monetary gifts from residents and in some cases non-residents. Many of these donations are made for a specific project or purchase. Previous donations have been directed to Public Safety vehicles and equipment. For the 2019/2020 fiscal year, numerous donations will be made to offset the 4th of July event expenditures such as the fireworks and concert.
- Proceeds on the sale of Capital Assets – As City owned vehicles and equipment are replaced, they are sold and any proceeds (costs less depreciation) are recorded in this line item.
- Miscellaneous Revenues – Basically anything that is not covered in the other categories winds up here. Such as – fees for copies, Freedom of Information Act fees, fees charged for park events (Easter Egg Hunt, Boo-fest, Classic Car show, etc.), proceeds from sweatshirts/hats and similar items, park party reservation fees and park concession stand sales.



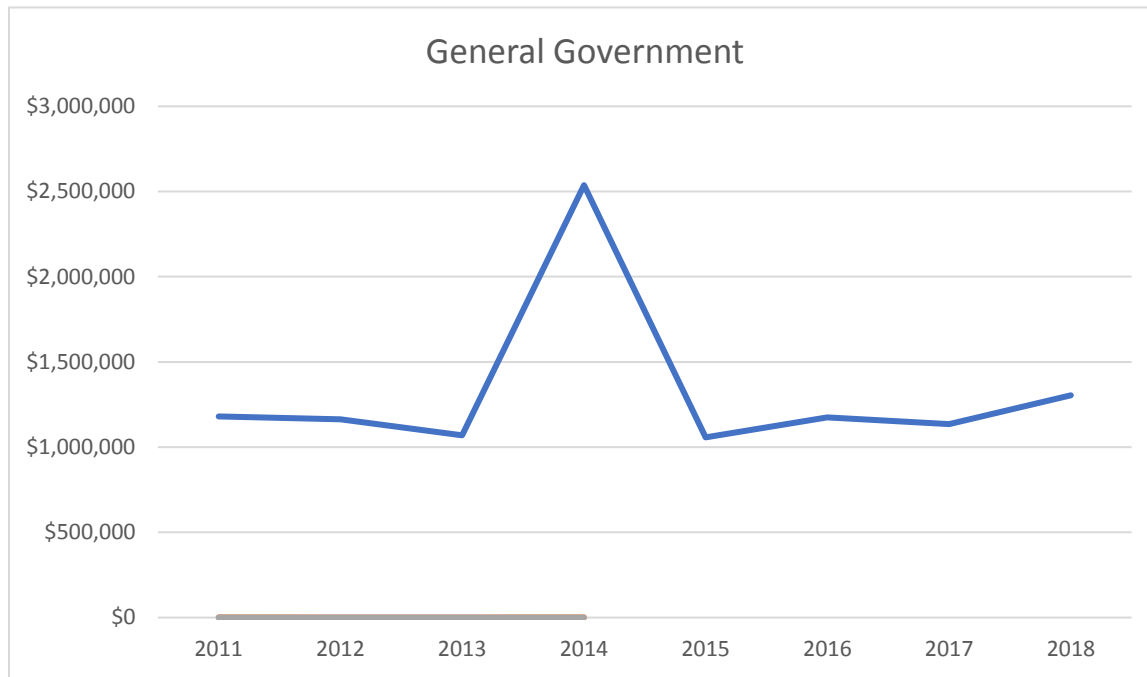
Expenditures

Below is a summary of major expenditures for the City's General Fund. The functions listed are those that are presented in the City's annually audited financial statements. For each expenditure item, a brief explanation has been provided. For more detailed information for these items, see the specific expenditure section of the budget.

GENERAL FUND

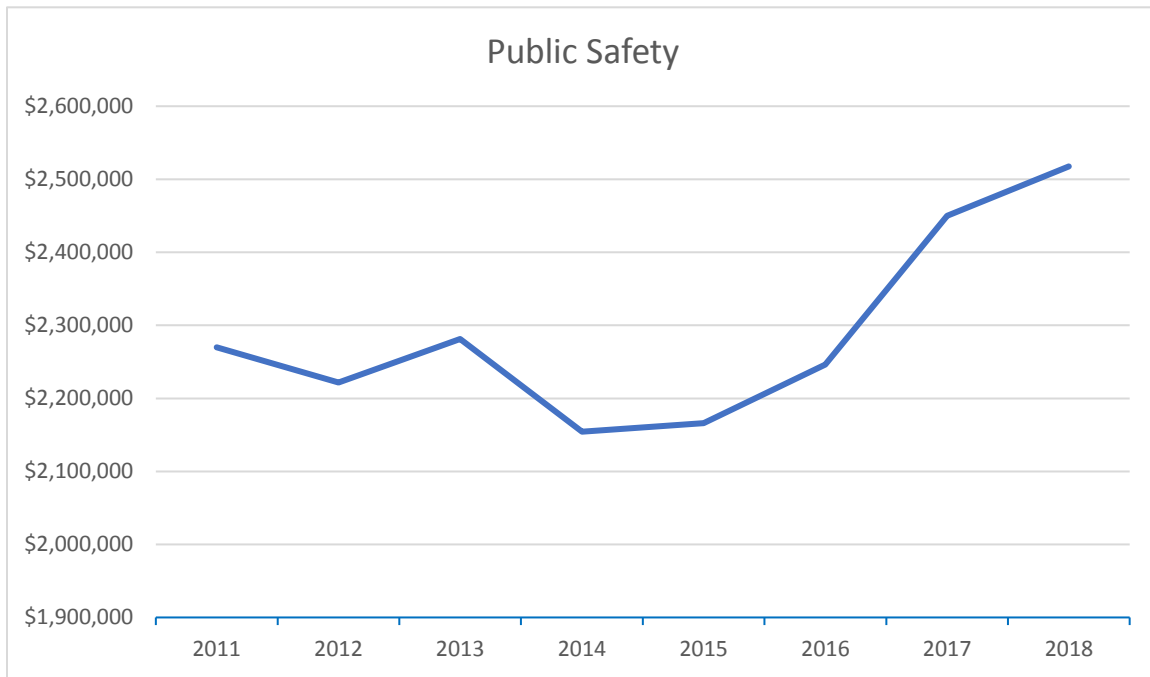


General Government – The General Government category includes many of the administrative services and departments included in the General Fund. These include City Council, Judicial, City Manager, Elections, Financial Administration, Clerk, Assessor and the City's Buildings and Grounds. These are the core roles that are required for the government to function. Employees of the Administrative Office perform duties in several of these categories. Their wages and benefits are distributed across these categories determined by the estimated annual time spent in the categories.

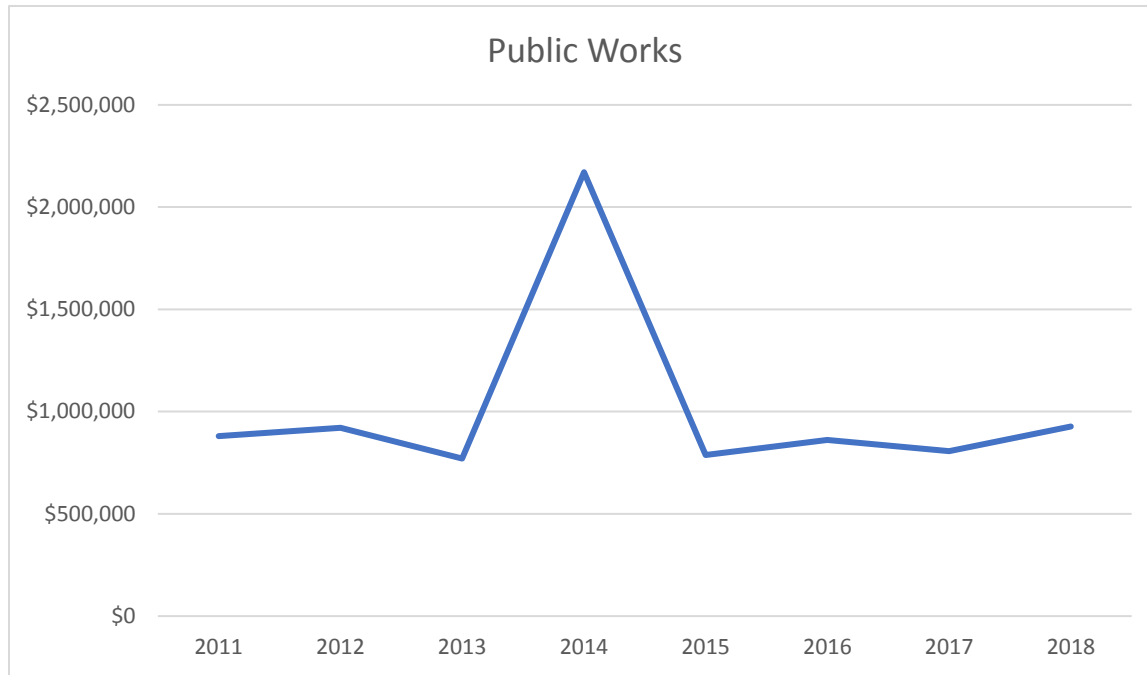


In 2014, the City's General Government category experienced a spike in expenditures due to the Honeywell Energy Project. These expenditures included a new backup generator for the municipal buildings, boiler replacement, HVAC modifications/improvements, temperature control upgrades and lighting upgrades.

Public Safety – The largest category of general fund expenditures, the Public Safety department includes police, fire and paramedic services. These are the key roles to ensure that the public is safe.

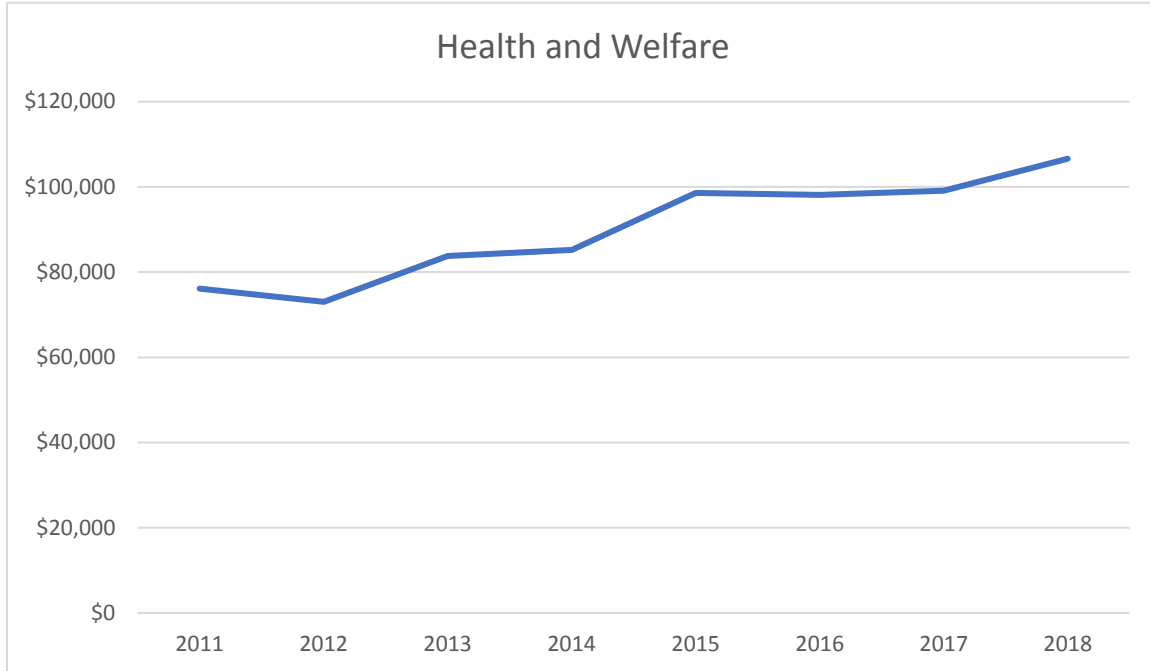


Public Works – The Public Works category covers services to roads, refuse collection along with the building department.

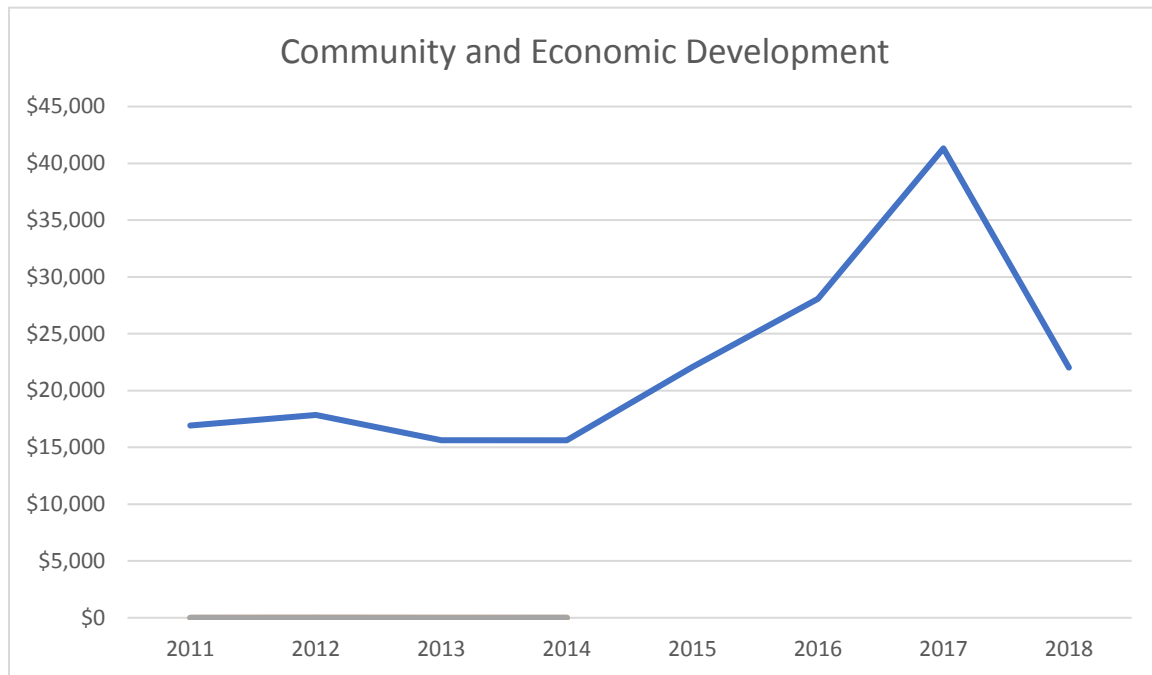


As seen with expenditures in the General Government category, Public Works also saw a rise in expenditures for the fiscal year ending June 30, 2014 due to the Honeywell Energy Project. The project included conversion of our street lights to energy efficient LED lighting and replacing the underground wiring which was mostly over sixty years old.

Health and welfare – The Health and welfare category includes the City’s ambulance service expenses. These expenses include Paramedic wages, paramedic and instructor license fees, ambulance billing services and ambulance supplies.

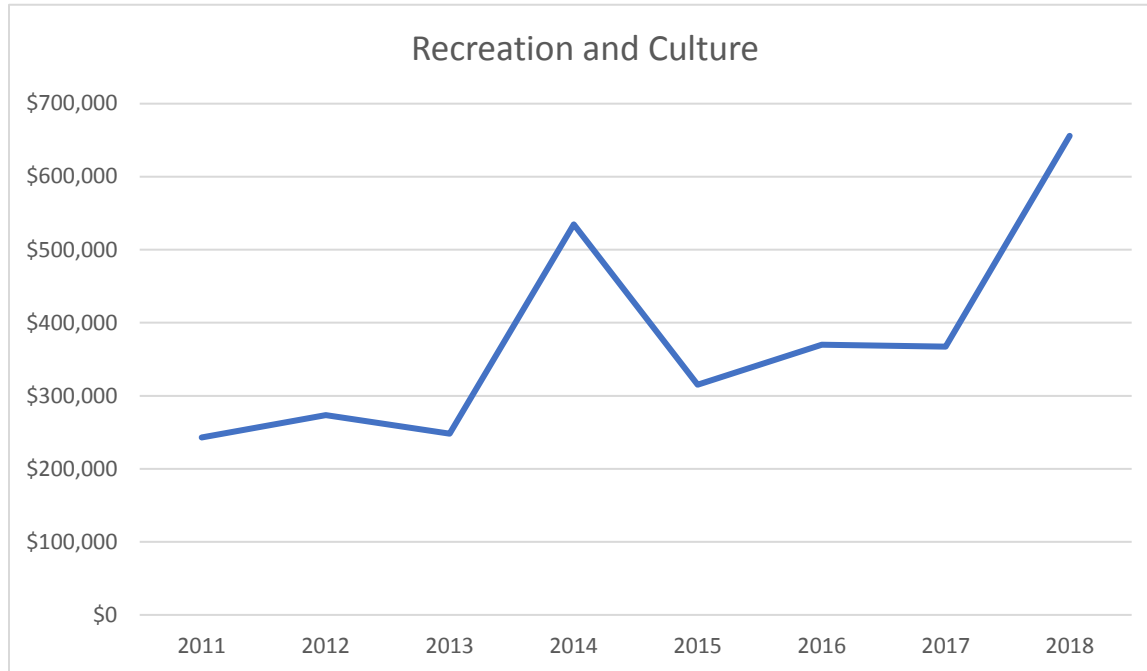


Community and economic development – This category include the City’s Planning Department’s expenditures.



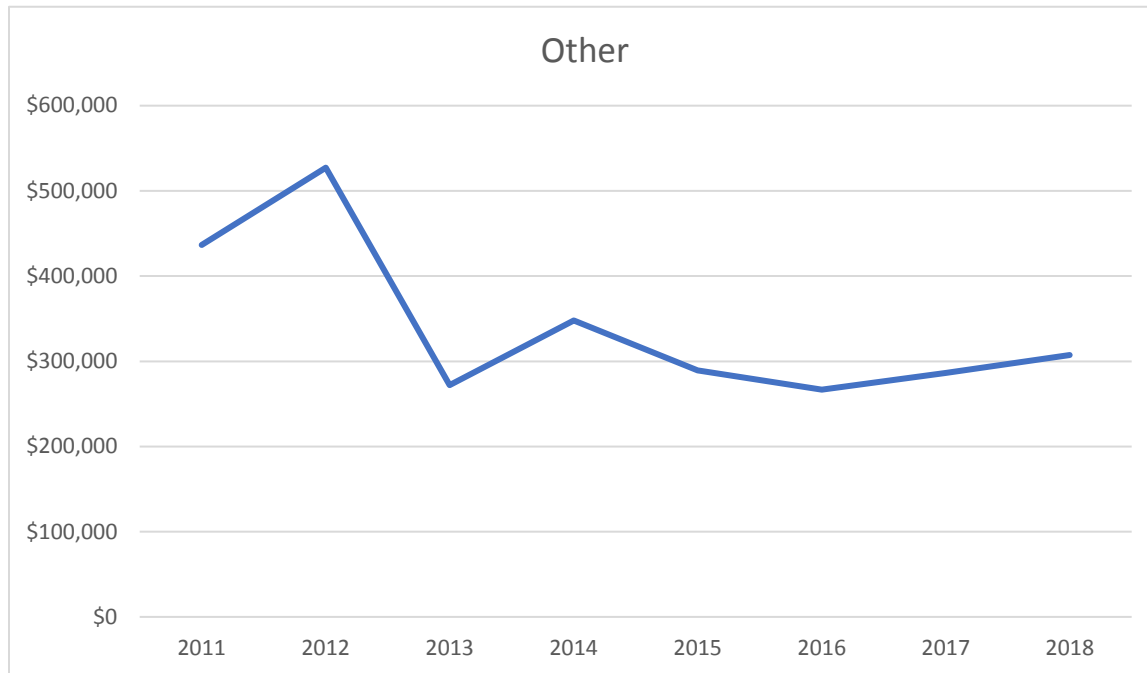
The spike in expenditures for this department are related to the expected development of the Deeplands property along with the Edsel and Eleanor Ford House construction project discussed previously.

Recreation and culture – The recreation category includes expenses occurring with the Osius Park – Pool, tennis courts, picnic areas, pavilion, holiday events and staffing, as well as maintenance to the City’s soccer field, softball field and sledding hill.

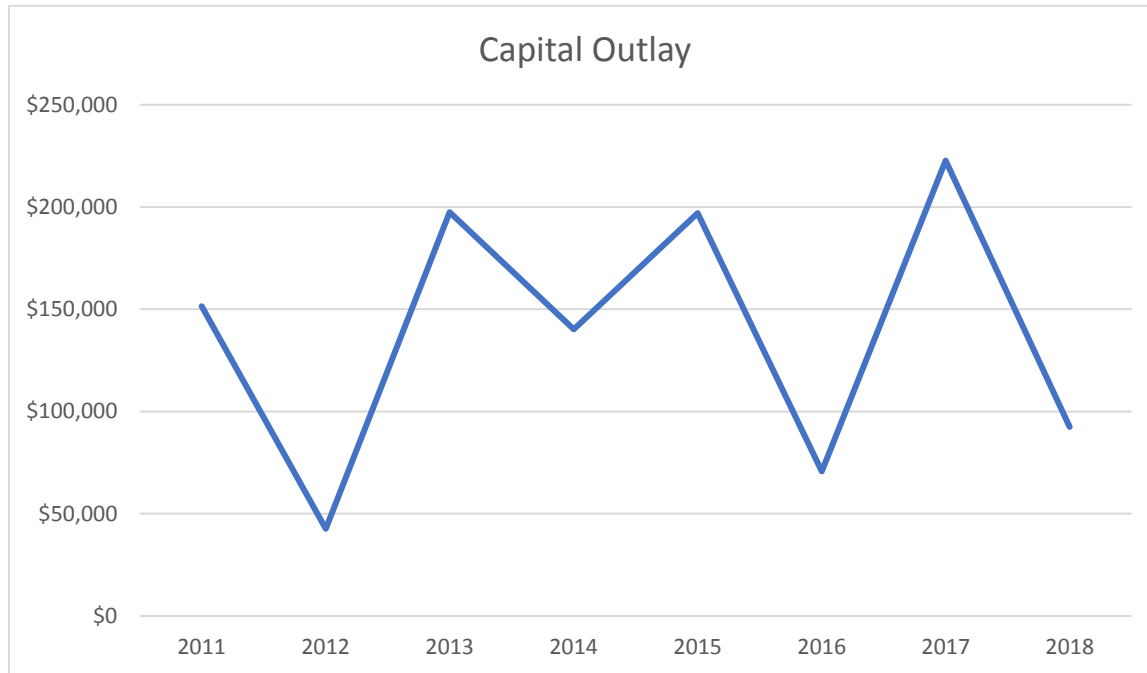


In 2014, the park facilities also incurred expenses relating to the Honeywell Energy Project. Improvements to the park and pool area included replacement of the boiler system, HVAC improvements, a liquid pool cover for energy savings, replacement pool pump, temperature control upgrades and lighting upgrades.

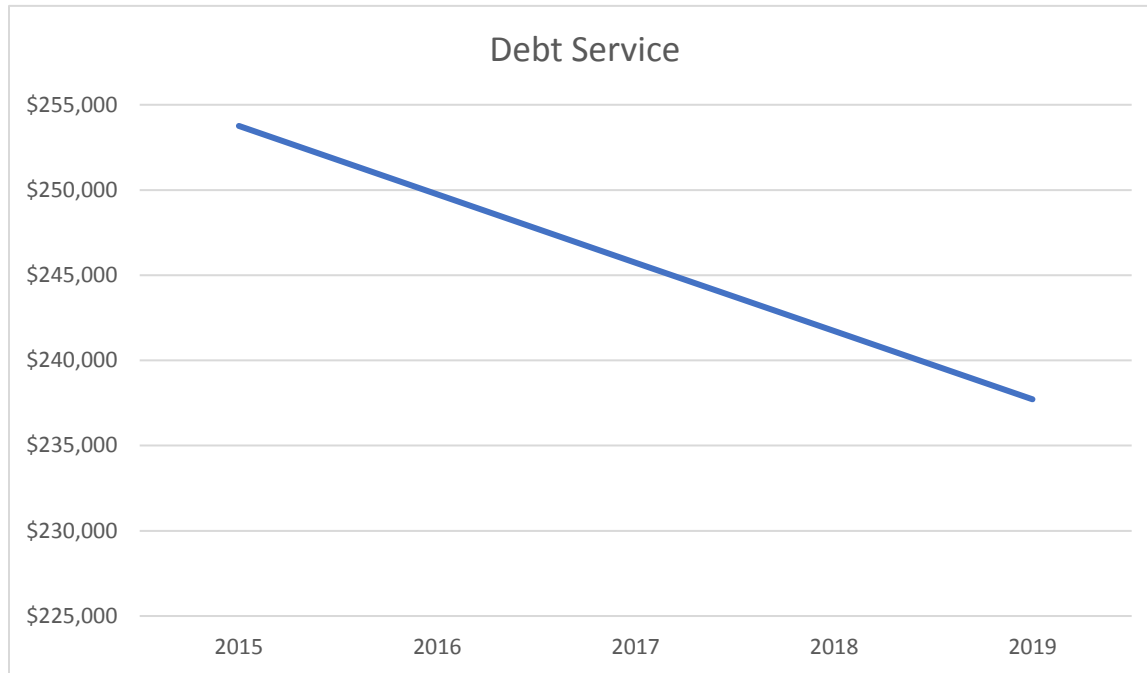
Other-Fringe benefits and insurance – This category includes items that are shared by many departments such as employment termination benefits, general liability insurance and contributions to the City’s retired employees’ benefits.



Capital outlay – Purchases of equipment for the various departments are included in this category. Much of the equipment is replacement City vehicles such as Public Safety patrol vehicles, sanitation trucks and other vehicles used daily by the Public Works department. Fluctuations occur based on replacement needs.



Debt Service – This category includes the annual debt service payments for the Honeywell Energy Project. The payments began with the fiscal year ending June 30, 2015. Expenditures will continually decline each year until the lease arrangement ends during the June 30, 2029 fiscal year.



Strategic Plan

A strategic plan is a vital component of the City's budget process. It provides direction for the City which then ensures that the budget moves the City forward – becoming proactive and not reactive.

Main areas of this plan in no specific order of priority are:

- Fiscal responsibility
- Public Safety
- Infrastructure
- Quality of life

A stable future depends on maintaining fiscal responsibility. We want to avoid increasing property taxes whenever feasible since they place an additional burden on our residents. However, we need to continue providing high quality and dependable services that our residents expect. Including:

- Effective and proficient police and fire protection
- Advanced life-support services
- Refuse pickup
- Safe and efficient water and sewer systems
- Employ technology advancements to increase and improve productivity and services
- Provide a well-maintained community

In order to maintain financial stability, we need to provide sound leadership and a responsible government. The City needs to focus on balancing the community needs and desires with the available resources. We need to continue to provide the highest level of services in a responsible and sustainable manner. We need to continue to encourage citizen involvement for the common good of the community. And we need to continue to be proactive with infrastructure maintenance and improvements.

In December 2015, the City's credit rating was increased by Standard and Poor's Ratings Services from AA+ to AAA. They based this increase on "improved economic metrics within the city related to market value and income indicators as well as the very strong budgetary flexibility with additional ability to raise revenue if needed". They also noted that the City could maintain better credit characteristics than other communities in the United States in a "stress scenario" as well as having strong reserves.

Addressing the City's retiree health care liability commitments is a major concern not only for our community, but communities across the country. As of June 30, 2018, the total liability for our retiree health care was approximately \$10.98 million with a funding ratio of 16.1%.

To assist in the retiree health care funding issue, the City Council approved moving 50% of the year end operating surplus for fiscal year ending June 30, 2018 to the retiree health care fund. This amounted to a transfer of \$61,197 made in December 2018. The City Council also approved moving \$61,992 from the amounts budgeted for the City's pension contribution during the 2018/2019 fiscal year to the retiree health care fund. The amount originally budgeted for the pension contribution was estimated while awaiting the final actuarial contribution amount. With the sale of a vacant parcel complete during the 2018/2019 fiscal year, the City Council approved moving the net proceeds of \$200,000 also to the retiree health care fund to assist in the funding shortage.

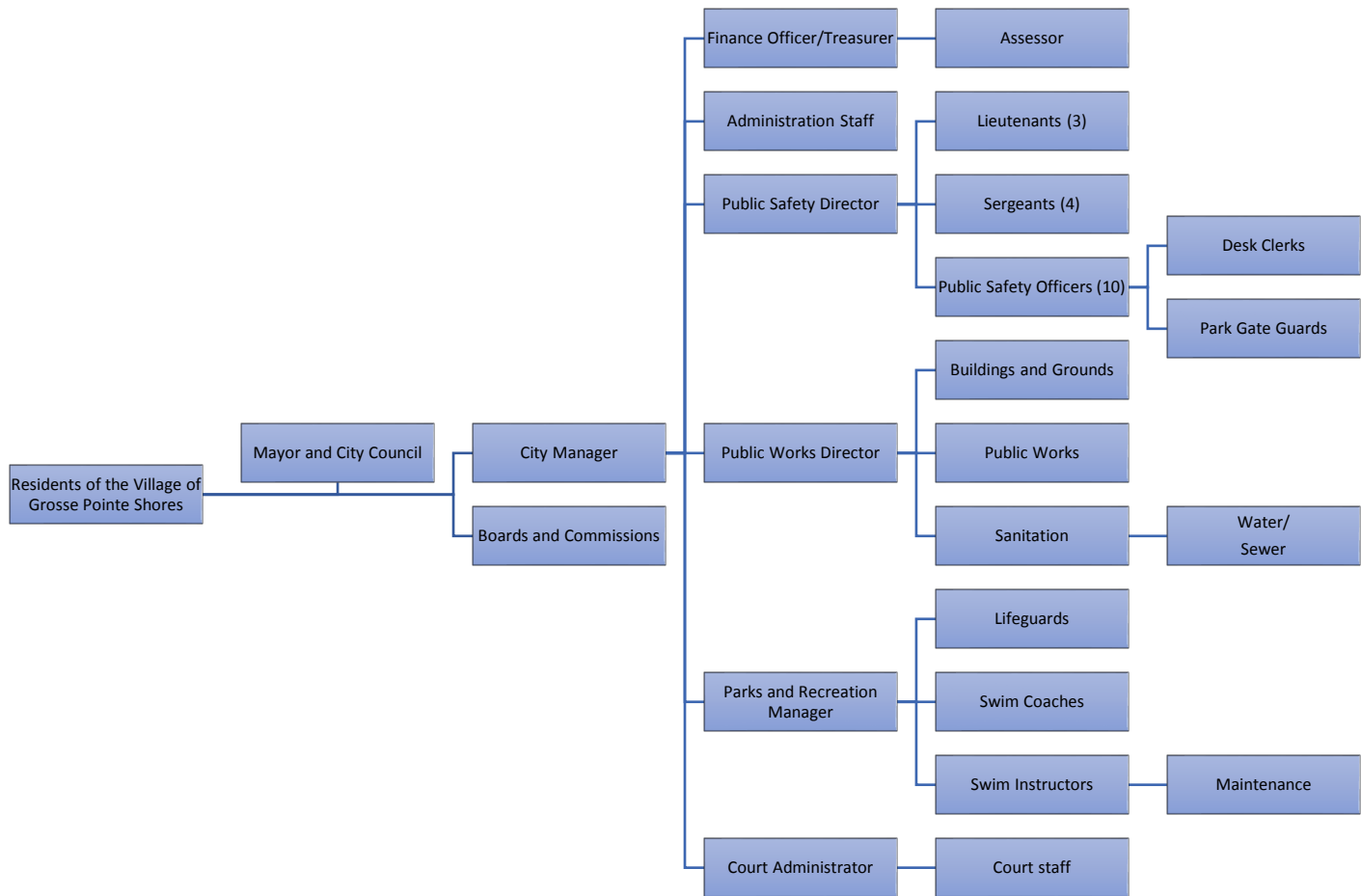
The City Council continues to look at additional means to increase the Retiree Health Care Fund funding level and look at additional methods to decrease costs. Current active members and retired members have been notified of the funding issue with suggestions given on how they can assist with the rising costs of health care.

In 2012, the City closed the defined benefit pension plan with new employees participating in a defined contribution plan. As of June 30, 2018, the unfunded pension liability was \$391 thousand with a funding ratio of 98.2%.

In order to protect the city's infrastructure (roads, water, sewer, marina, sidewalks, parks and public facilities), there is a continuous need to reinvest in the systems which will then help to avoid higher costs in the future along with providing safe, reliable and effective infrastructure throughout the city. Periodic reviews and inspections are made of these systems. Discussions continue on the short and long-term needs of the City and how to fund needed repairs and ongoing maintenance.

For the upcoming fiscal year ending June 30, 2020, the City Council has approved additional funding for asphalt milling and overlay for three local streets – Hawthorne Road, Roslyn Road and Oxford Road. No other major road improvements are planned for the year.

Organization Chart



Full time employment organizational chart

	Fiscal year ending 06/30/2015	Fiscal year ending 06/30/2016	Fiscal year ending 06/30/2017	Fiscal year ending 06/30/2018	Fiscal year ending 06/30/2019	PROPOSED Fiscal Year ending 06/30/2020
Administration						
City Manager	1	1	1	1	1	1
Finance Officer/Treasurer	1	1	1	1	1	1
Executive Administrative Assistant	1	1	1	1	1	1
Building Dept/Elections/Harbor Master	1	1	1	1	1	1
Administrative Assistant	1	1	1	1	1	1
Court Clerical	1	1	1	1	1	1
Buildings and Grounds						
Supervisor	1	1	1	1	1	1
General Staff	2	2	2	3	2	2
Public Safety						
Director	1	1	1	1	1	1
Lieutenant	3	3	3	3	3	3
Sergeant	4	4	4	4	4	4
Officer	10	10	10	10	10	10
Public Works						
Director	1	1	1	1	1	1
Mechanic	1	1	1	1	1	1
General Staff	1	1	1	1	1	1
Sanitation						
General Staff	5	5	5	5	5	5
Water and Sewer						
Staff	1	1	1	1	1	1
Total full time employees	36	36	36	37	36	36

Part time employment organizational chart

	Fiscal year ending 06/30/2015	Fiscal year ending 06/30/2016	Fiscal year ending 06/30/2017	Fiscal year ending 06/30/2018	Fiscal year ending 06/30/2019	PROPOSED Fiscal Year ending 06/30/2020
Administration						
Summer Intern	0	1	1	1	0	0
Court Clerical-year round	0	1	1	1	1	1
Buildings and Grounds						
General Staff-year round	1	1	1	1	1	1
General Staff - seasonal	5	6	5	5	3	3
Public Safety						
Desk Clerks	13	15	16	14	12	12
Public Works						
Clerical - year round	1	1	1	1	1	1
General Staff - seasonal	0	2	2	0	0	0
Sanitation						
General Staff-seasonal	6	5	5	7	4	4
Water and Sewer						
General Staff - seasonal	0	0	2	2	1	1
Park						
Gate Guards	14	14	14	14	14	14
Grounds maintenance - seasonal	1	2	2	3	4	4
Summer staffing - pool/concession stand	25	25	44	44	44	45
Total part time employees	66	73	94	93	85	86

Budget Process

VILLAGE OF GROSSE POINTE SHORES, A MICHIGAN CITY CITY CHARTER

CHAPTER VII

FINANCES AND FINANCIAL PROCEDURES

Section 7.1 Fiscal Year. The fiscal and budget year of the City shall begin on July 1 and end on June 30.

Section 7.2 Budget Document. The budget document shall present a complete financial plan for the ensuing fiscal year and shall include those items required by the Uniform Budgeting and Accounting Act, MCL §141.421, *et seq.*

Section 7.3 Recommended Budget. In accordance with a schedule to be determined by the Council or a designated Council committee, the City Manager shall submit to the Council a recommended budget for the next fiscal year which, considering any anticipated unexpended balance at the end of the current fiscal year, is within the tax limit and other anticipated revenue of the City. Such recommended budget shall include the information required by law, as well as such other information as requested by Council or believed relevant by the City Manager.

Section 7.4 Public Hearing. Before final adoption of the budget, a public hearing on the budget proposal shall be held as provided by statute. Notice of the time and place of holding such hearing shall be published in a newspaper having general circulation in the City at least a week before the hearing. A copy of the proposed budget shall be on file and available to the public during office hours at the office of the City Clerk for a period of not less than one week prior to the public hearing.

Section 7.5 Adoption of Budget. After the public hearing on the budget, but not later than the deadline date established by state law, the Council shall adopt a budget, with or without amendments from the proposed budget, and make appropriations for expenditures pursuant to the adopted budget. After consideration of probable other revenues, the Council at the same time shall determine and declare the amount of money necessary to be raised by property taxation, which amount shall not be greater than otherwise limited in this Charter or by general law.

Section 7.6 Appropriations; Interim Accounting; Year-end Surplus. (a) No money shall be drawn from the treasury of the City except in accordance with an appropriation for such specific purposes, nor shall any obligation for the expenditure of money be incurred without an appropriation covering all payments which will be due under such obligation in the current fiscal year. (b) The Council may make additional appropriations during the fiscal year for unanticipated expenditures required by the City, but such additional appropriations shall not exceed the actual and anticipated revenues of the year plus any use of beginning fund balance. The Council may transfer all or part of any actual unencumbered appropriation balance from one account, department, fund or agency to another. (c) Within 30 days after the end of each quarterly period during the fiscal year, and more often if required by the Council, the City Manager shall submit to the Council data showing the relation between the estimated and actual revenues and expenditures to date. If it shall appear that the revenues are less than anticipated, the Council shall reduce appropriations, except amounts required for debt and interest charges, to such a degree as may be necessary to keep expenditures within the revenues. (d) At the end of each budget year, any appropriations not expended shall terminate. The Council may re-appropriate any such amounts in the ensuing budget year, subject to the limitations of section 7.6(b), above.

Budget process

The budget represents a complete financial plan for the City for the upcoming fiscal year. This financial plan is created with the goal of a balanced budget – a budget where expenditures do not exceed expected revenues. The budget is prepared based on conservative but yet realistic projections of the revenues and expenditures by using historical data and projections directly from the source of the revenue or expenditure – such as the State of Michigan regarding State Revenue Sharing estimates or by contractual agreements with the labor unions and contractors.

An estimate of all income and proposed expenditures are detailed. In addition, the budget document presents forecasted revenue and expenditures for an additional four years to help improve the decision-making process. This helps prepare for the future by recognizing the challenges and opportunities ahead.

The budget process begins in January when the City Manager and the City Finance Officer request from each department a summary of their needs for the upcoming fiscal year. Whether it be staffing level concerns, new and/or replacement equipment or vehicles, new software requirements – a listing of the department's needs and general wish list is requested to be submitted by mid-February.

The Finance Officer then compiles this information into the upcoming budget spreadsheets and reviews with the City Manager.

In March, the Finance Committee meets with the City Manager, City Finance Officer and the department heads to review where the City currently stands, the immediate outlook for the fiscal yearend and to discuss the budget items for the upcoming year and the future. The items are prioritized by need and instruction is given to the Finance Officer to proceed with further adjustments to the budget. All Finance Committee meetings are open to the public.

The Finance Committee will then meet in April to review the proposed budget document. Additional April meetings may be required depending on any adjustments needed for a balanced budget. Once the Finance Committee is satisfied with the proposed budget document, it will be recommended for a public hearing in May where all interested citizens are provided with an open forum where their comments and concerns may be heard by the City Council. Immediately following the public hearing, the City Council will adopt the budget.

The operating millage rate is established based on the budget adoption and is also adopted by the City Council following the public hearing.

Since the budget is a plan and plans may change for various reasons, budget amendments are typically made twice a year. These amendments are made when expenditures are expected to exceed the approved budget or when revenues are expected to be lower than approved. These amendments are approved by the City Council upon recommendation from the City's Finance Committee and Administrative personnel.

Budget Policy

Village of Grosse Pointe Shores, A Michigan City Policies and Procedures Budgets and Budgetary Compliance

The Village of Grosse Pointe Shores uses budgets and budgetary accounting in order to fulfill its requirements from the Michigan Department of Treasury and as a vital management tool for monitoring expenditures and identifying irregularities. Policies and procedures regarding the budgetary process are as follows:

1. An operating budget will be prepared for the general fund and each special revenue fund consistent with Generally Accepted Accounting Principles (GAAP) and the uniform chart of accounts.
2. The minimum level of legal control will be determined based on the specifications of the Michigan Department of Treasury.
3. In accordance with MCL 141.411-415 and MCL 15.261-275, a public hearing on the budget will be held prior to formal adoption by the City Council.
4. The budget will be formally adopted by the City Council prior to the beginning of the fiscal year.
5. The adopted budget will include:
 - a. Revenue and expenditure data for the most recently completed fiscal year and estimated revenue and expenditures for the ensuing fiscal year.
 - b. The amount of surplus or deficit that has accumulated from the prior fiscal year, along with an estimate of the amount of surplus or deficit expected in the current fiscal year.
 - c. An estimate of the amounts needed for deficiency, contingent, or emergency purposes.
 - d. Other data relating to fiscal conditions that the Treasurer deems to be useful.
6. The budget will be amended by the City Council, as necessary, throughout the fiscal year. No budget amendments will be allowable after year-end.
7. The budgets will be posted to the Village of Grosse Pointe Shores' website within 30 days of formal adoption.
8. Expenditures in excess of budget at the legal level of compliance will be disclosed in the annual audit.
9. The original budget, final amended budget, actual expenditures, and excess of expenditures over budget will be included for the general fund and each major special revenue fund in the annual audit.
10. Management will review budget versus actual reports on a periodic basis with the City Council and/or the Finance Committee in order to identify inconsistencies.

Fund Structure

The financing structure of the Village of Grosse Pointe Shores, A Michigan City is similar to other units of government within the State of Michigan and its use of funds. Funds are created to account for various types of activities within the City. The definition of a fund according to the Governmental Accounting Standards Board is:

- A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The City's funds are reported in three fund categories: Governmental, Proprietary and Fiduciary.

Governmental funds

The City's General Fund is the primary governmental fund. Other governmental funds include special revenue funds and the debt service fund. These funds account for tax-supported activities which includes most of the governmental functions. All governmental funds are required to use a modified accrual basis for accounting and budgeting. This means that expenditures are recognized when they occur, and revenues are recognized when they can be measured and are available to pay expenses within the current fiscal year.

The special revenue funds include our Major Roads Fund, Local Roads Fund, 911 Service Fund, Drug Law Enforcement Fund and the Debt Service Fund. Each of these funds represent specific revenues that are restricted in their use.

- Major Roads Fund – Gas tax revenue distributed by the State of Michigan to the City which is restricted to build and maintain “major” roads within the City.
- Local Roads Fund – Gas tax revenue distributed by the State of Michigan to the City which is restricted to build and maintain “local” roads within the City.
- 911 Service Fund – A fund that accounts for earmarked revenue for 911 service that is provided by the various telecommunication providers.
- Drug Law Enforcement Fund – Funds seized from individuals under federal and state law that can be used for specific law enforcement purposes.
- Debt Service Fund – Tax revenues received for payment of principal and interest on general long-term debt.

Proprietary funds

Proprietary funds account for business type activities provided by the City. They are also known as enterprise funds. The City uses the full accrual method of accounting for these funds. State law does not require a budget for these funds, however the City has elected to adopt a budget for these funds. The financial resources for these types of funds are supported mainly from user fees and charges.

- Water and Sewer Fund – A fund that collects money from users of the water and sewer system which is then used to pay expenditures associated with the systems.
- Marina Fund – A fund that collects money from the users of the boat wells, jet ski docks and kayak racks which is then used to pay expenditures associated with the Marina and its infrastructure.

Fiduciary funds

These funds are used to account for resources that are held in “trust” for parties outside the government and cannot be used to support government operations. No budgets are prepared or adopted for fiduciary funds. The fiduciary funds for the City are:

- Tax Collection Fund which accounts for the property taxes levied and once collected, these funds are distributed to the various taxing authorities.
- Retirement Fund
- Retiree Health Care Fund

Retirement Fund

The Retirement Fund was created in 1943 for the purpose of providing pensions to employees of the Village who retire on account of service years or total and permanent disability and to provide survivor benefits for certain dependents. In 2012, new full-time employees are excluded from this benefit.

	2016	2017	2018
Valuation assets in thousands	\$20,454	\$21,022	\$21,392
Actuarial Accrued liabilities in thousands	\$21,743	\$22,278	\$21,783
Unfunded actuarial accrued liabilities in thousands	\$1,289	\$1,256	\$391
Funded Ratio	94.10%	94.40%	98.20%
Number of retirees	32	31	28
Annual pensions	\$1,303,207	\$1,312,191	\$1,202,500
Percentage of active payroll	81.10%	75.80%	69.90%
Average pension	\$40,725	\$42,329	\$42,946

Retiree Health Care Fund

The Retiree Health Care Fund was created in 1999 in order to account for Retiree health care expenses. Before the creation of this fund, retiree health care expenses were accounted for in the General Fund. All new full-time employees hired after June 30, 2012 are excluded from this plan.

As of the June 30, 2018 actuarial valuation:

Actuarial accrued liabilities	\$10,979,664
Valuation assets	\$1,763,333
Unfunded actuarial accrued liabilities	\$9,216,331
Funded ratio	16.10%

VILLAGE OF GROSSE POINTE SHORES, A MICHIGAN CITY

The following pages include the spreadsheets presented to the Finance Committee and the City Council for the budget adoption for the fiscal year ending June 30, 2020. Additional information has been included following each page of the spreadsheet for a better understanding of the fund and/or department.

GENERAL FUND BUDGET – REVENUES

	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
REVENUES											
Real and Personal Property Taxes	\$ 4,100,444	\$ 4,578,279	\$ 4,730,274	\$ 4,646,417	\$ 4,592,625	\$ 4,592,625	\$ 4,821,771	\$ 5,091,104	\$ 5,584,386	\$ 5,590,080	\$ 5,937,167
Interest and Penalty, Delinquent Taxes	\$ 72,818	\$ 96,322	\$ 78,892	\$ 8,250	\$ 11,257	\$ 59,382	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
Tax Administration Fees	\$ 136,868	\$ 141,622	\$ 145,032	\$ 148,013	\$ 146,025	\$ 146,025	\$ 148,946	\$ 151,924	\$ 154,963	\$ 158,062	\$ 161,223
Permits and Inspection Fees	\$ 107,391	\$ 109,455	\$ 273,912	\$ 100,000	\$ 87,506	\$ 87,411	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Dog and Bike Licenses	\$ 1,071	\$ 905	\$ 714	\$ 900	\$ 541	\$ 584	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600
Local Community Stabilization	\$ -	\$ -	\$ 579	\$ 2,067	\$ 2,067	\$ 2,067	\$ 2,067	\$ 2,067	\$ 2,067	\$ 2,067	\$ 2,067
State Statutory/EVIP	\$ 10,068	\$ 10,101	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Constitutional	\$ 224,799	\$ 241,922	\$ 262,452	\$ 264,254	\$ 140,803	\$ 274,881	\$ 283,532	\$ 294,000	\$ 304,000	\$ 314,000	\$ 324,000
State Shared Liquor License Fees	\$ 756	\$ 743	\$ 811	\$ 800	\$ 866	\$ 866	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900
CDBG Revenue	\$ -	\$ -	\$ 15,872	\$ -	\$ -	\$ 17,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Court Fines	\$ 59,995	\$ 56,699	\$ 35,818	\$ 50,000	\$ 53,671	\$ 54,000	\$ 57,000	\$ 58,000	\$ 59,000	\$ 60,000	\$ 61,000
Alcohol Forfeiture Revenues	\$ 12,635	\$ 6,250	\$ 5,775	\$ 5,000	\$ 1,800	\$ 1,800	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Ambulance Fees	\$ 68,811	\$ 65,605	\$ 44,847	\$ 45,000	\$ 34,011	\$ 43,280	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000
Violation Bureau Fees	\$ 193,725	\$ 195,434	\$ 184,909	\$ 120,000	\$ 90,956	\$ 100,656	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000
Interest Earnings	\$ 4,493	\$ 11,398	\$ 31,548	\$ 22,283	\$ 44,535	\$ 52,943	\$ 54,000	\$ 54,000	\$ 54,000	\$ 54,000	\$ 54,000
Reimbursement, Major Road Fund	\$ 31,039	\$ 34,440	\$ 39,308	\$ 39,230	\$ 28,517	\$ 38,898	\$ 40,000	\$ 40,500	\$ 41,000	\$ 41,500	\$ 42,000
Reimbursement, Local Road Fund	\$ 31,617	\$ 35,568	\$ 37,593	\$ 38,165	\$ 24,164	\$ 32,852	\$ 34,000	\$ 34,500	\$ 35,000	\$ 35,500	\$ 36,000
Reimbursement, Marina Fund	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reimbursement, Water/Sewer Fund	\$ 225,000	\$ 225,000	\$ 280,000	\$ 225,000	\$ 112,500	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000
Reimbursement, Retirement Fund	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 22,500	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000
Cable Franchise Fees	\$ 76,603	\$ 78,942	\$ 77,539	\$ 79,000	\$ 62,004	\$ 78,284	\$ 79,500	\$ 80,000	\$ 80,500	\$ 81,000	\$ 81,500
Insurance Adjustment/Refund	\$ 168,282	\$ 113,980	\$ 87,065	\$ 111,603	\$ 119,500	\$ 119,500	\$ 110,000	\$ 110,000	\$ 110,000	\$ 110,000	\$ 110,000
Miscellaneous Revenues	\$ 117,551	\$ 87,514	\$ 74,099	\$ 62,814	\$ 49,612	\$ 51,520	\$ 54,530	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000
Donations	\$ 33,600	\$ 34,200	\$ 87,500	\$ 109,000	\$ 111,000	\$ 111,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Proceeds on Sale of Capital Assets	\$ 4,680	\$ 15,055	\$ 18,843	\$ 177,992	\$ 268,759	\$ 268,759	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Surplus Fund used	\$ -	\$ -	\$ -	\$ 288,956	\$ -	\$ 288,956	\$ 110,000	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 5,727,246	\$ 6,184,434	\$ 6,568,382	\$ 6,589,744	\$ 6,005,219	\$ 6,693,289	\$ 6,399,846	\$ 6,575,595	\$ 7,084,416	\$ 7,105,709	\$ 7,468,457
EXPENDITURES	\$ 5,535,797	\$ 5,848,130	\$ 6,344,397	\$ 6,589,744	\$ 5,450,726	\$ 6,594,258	\$ 6,399,846	\$ 6,575,595	\$ 7,084,416	\$ 7,105,709	\$ 7,468,457
						\$ 99,031					
END OF FISCAL YEAR FUND BALANCE	\$ 1,518,794	\$ 1,855,094	\$ 2,079,091	\$ -	\$ -	\$ 2,178,122	\$ 2,178,121	\$ 2,178,121	\$ 2,178,121	\$ 2,178,122	\$ 2,178,122

The yellow highlighted number represents the amount previously dedicated to be used from the surplus fund balance for the remaining park renovation expenses. The amount highlighted in green is the estimated surplus for the fiscal year ending June 30, 2019.

Most individual revenue items are expected to remain at the same level as the previous year or with a slight increase. During the fiscal year ending June 30, 2019, the City experienced higher revenue from donations than in prior years and sold a vacant parcel of land purchased from a tax sale in a prior year. New construction is also expected in the 2019/2020 fiscal year which will explain an estimated increase in permits and inspection fees.

GENERAL FUND BUDGET – EXPENDITURES – 101 – CITY COUNCIL

ACTIVITY 101 CITY COUNCIL	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
Workers Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80
Council Expenses	\$ 17,535	\$ 19,508	\$ 23,500	\$ 17,000	\$ 11,649	\$ 14,124	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Michigan Municipal League	\$ 1,799	\$ 1,719	\$ 2,035	\$ 2,050	\$ 1,771	\$ 1,771	\$ 1,800	\$ 1,850	\$ 1,900	\$ 1,950	\$ 2,000
Contributions	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 20,000	\$ -	\$ -	\$ -	\$ -
TOTALS	\$ 19,334	\$ 21,227	\$ 25,535	\$ 24,050	\$ 18,420	\$ 20,895	\$ 31,880	\$ 11,930	\$ 11,980	\$ 12,030	\$ 12,080

The affairs of the City are governed by an elected Council composed of a Mayor and six Council members who are elected in staggered elections to four-year terms.

Mayor, Ted J. Kedzierski	term expires November 2019
Mayor Pro Tem, Bruce Bisballe	term expires November 2021
Council Member, Robert H Barrette	term expires November 2021
Council Member, Tina Ellis	term expires November 2019
Council Member, Robert Gesell	term expires November 2019
Council Member, Douglas Kucyk	term expires November 2019
Council Member, Matthew Seely	term expires November 2021

The City Council meets on the third Tuesday of each month.

Elected officials of the Village of Grosse Pointe Shores do not receive compensation for their time and service to the community. Primary responsibilities include adopting City policies and ordinances, adopting the annual budget and property tax rate, approving fund disbursements and appointments to various committees and commissions to name a few. Overall the City Council is responsible to ensure the general welfare of the residents and taxpayers of our great community.

Council expenses include the annual calendar, newsletters, special mailings, membership in the Michigan Municipal League and contributions to various organizations benefitting the residents of Grosse Pointe Shores such as The Helm.

A new line item has been included this year – Workers Compensation. Elected officials are required to be covered under the City’s workers compensation insurance. Previously this amount was included in Council Expenses.

GENERAL FUND BUDGET – EXPENDITURES – 136 - JUDICIAL

ACTIVITY 136 JUDICIAL	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
Magistrate Fee	\$ 14,975	\$ 16,420	\$ 15,575	\$ 16,000	\$ 12,500	\$ 15,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000
Deferred Compensation	\$ 1,747	\$ 1,808	\$ 1,815	\$ 1,934	\$ 1,634	\$ 1,926	\$ 1,949	\$ 1,988	\$ 2,028	\$ 2,068	\$ 2,110
Court Staff	\$ 53,273	\$ 57,479	\$ 66,147	\$ 66,670	\$ 57,550	\$ 70,220	\$ 71,976	\$ 73,775	\$ 75,619	\$ 77,510	\$ 79,447
Overtime	\$ -	\$ -	\$ 219	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Social Security	\$ 2,964	\$ 3,248	\$ 4,034	\$ 4,126	\$ 3,554	\$ 4,227	\$ 4,333	\$ 4,441	\$ 4,552	\$ 4,666	\$ 4,782
Health Care Insurance	\$ 3,603	\$ 5,058	\$ 5,000	\$ 5,000	\$ 3,894	\$ 5,029	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Life Insurance	\$ 341	\$ 364	\$ 398	\$ 426	\$ 370	\$ 404	\$ 414	\$ 424	\$ 435	\$ 446	\$ 457
Longevity	\$ -	\$ -	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 600	\$ 600
Workers Compensation	\$ 59	\$ 32	\$ 212	\$ 213	\$ 94	\$ 94	\$ 96	\$ 98	\$ 100	\$ 102	\$ 104
Miscellaneous Expenses	\$ 11,535	\$ 13,514	\$ 12,827	\$ 14,000	\$ 10,837	\$ 11,840	\$ 3,060	\$ 2,900	\$ 3,240	\$ 3,580	\$ 3,920
Michigan Supreme Court Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,400	\$ 7,500	\$ 7,600	\$ 7,700	\$ 7,800
Court Reporting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,040	\$ 2,100	\$ 2,160	\$ 2,220	\$ 2,280
Probation Services	\$ (4,303)	\$ (3,099)	\$ (1,763)	\$ 500	\$ (500)	\$ -	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Public Defender Fees	\$ 1,185	\$ 1,515	\$ 2,387	\$ 4,000	\$ 5,850	\$ 7,250	\$ 7,250	\$ 7,250	\$ 7,500	\$ 7,500	\$ 7,500
Legal Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Prisoner Board	\$ 3,904	\$ 2,095	\$ 2,084	\$ 2,500	\$ -	\$ 1,000	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
COLA	\$ -	\$ 882	\$ 426	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS	\$ 89,283	\$ 99,316	\$ 109,561	\$ 116,769	\$ 97,183	\$ 118,390	\$ 138,917	\$ 140,876	\$ 143,634	\$ 146,592	\$ 149,201

The Grosse Pointe Shores Municipal Court is a division of the Grosse Pointe Farms Municipal Court, one of the four remaining municipal courts in the State of Michigan. The Court has a scheduled session twice a month to process all matters that occur within the city jurisdiction whether it is traffic related offenses, criminal misdemeanors, as well as civil matters with a jurisdictional limit of \$3,000 from start to completion. Any felony cases that may occur are processed from arraignment through preliminary exam. The Court will add additional sessions as needed for trials or special hearings.

The Municipal Court staff is comprised of one full-time employee and one part-time employee. The Court Administrator is employed by the City of Grosse Pointe Farms which provides shared services with Grosse Pointe Shores.

Three new line items have been added to this department beginning with this fiscal year. Previously the Michigan Supreme Court Services and Court Reporting expenses were combined with other expenses in the Miscellaneous Expense line item. The City felt it was important to break out some groups of expenses from various "Miscellaneous Expense" line items for improved transparency. Also, the Legal Costs line item was added to the Judicial budget which reflects prosecution services that were previously reported in the Financial Administration department budget.

GENERAL FUND BUDGET – EXPENDITURES – 172 – CITY MANAGER

ACTIVITY 172 CITY MANAGER	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
Salaries	\$ 85,134	\$ 85,529	\$ 86,297	\$ 89,211	\$ 74,145	\$ 89,209	\$ 91,439	\$ 93,725	\$ 96,068	\$ 98,470	\$ 100,932
Deferred Compensation	\$ 8,929	\$ 9,610	\$ 9,574	\$ 9,813	\$ 10,145	\$ 12,220	\$ 12,526	\$ 12,839	\$ 13,160	\$ 13,489	\$ 13,826
Wages - FLSA non-exempt	\$ 63,701	\$ 62,818	\$ 66,946	\$ 69,170	\$ 58,094	\$ 69,559	\$ 71,298	\$ 64,557	\$ 61,013	\$ 62,539	\$ 64,102
Social Security	\$ 12,138	\$ 12,466	\$ 12,938	\$ 13,197	\$ 11,360	\$ 13,382	\$ 13,872	\$ 13,317	\$ 13,265	\$ 13,590	\$ 13,925
Health Care Insurance	\$ 9,005	\$ 7,670	\$ 5,867	\$ 6,366	\$ 5,592	\$ 6,105	\$ 7,326	\$ 8,791	\$ 10,549	\$ 12,659	\$ 15,191
Life Insurance	\$ 1,187	\$ 1,280	\$ 1,385	\$ 1,483	\$ 1,293	\$ 1,411	\$ 1,446	\$ 1,482	\$ 1,519	\$ 1,557	\$ 1,596
Pension Contribution	\$ 11,588	\$ 12,263	\$ 14,911	\$ 10,282	\$ 10,282	\$ 10,282	\$ 11,310	\$ 12,441	\$ 13,685	\$ 15,054	\$ 16,559
Longevity	\$ 700	\$ 700	\$ 700	\$ 980	\$ 980	\$ 980	\$ 1,020	\$ 1,020	\$ 200	\$ 200	\$ 200
Workers Compensation	\$ 327	\$ 770	\$ 572	\$ 650	\$ 617	\$ 617	\$ 632	\$ 648	\$ 664	\$ 681	\$ 698
Miscellaneous Expenses	\$ 5,821	\$ 3,521	\$ 4,719	\$ 5,000	\$ 1,325	\$ 1,840	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Membership Dues/Professional Development	\$ 4,996	\$ 3,410	\$ 6,126	\$ 6,200	\$ 1,669	\$ 1,519	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Professional Services	\$ 4,541	\$ 12,507	\$ 10,229	\$ 15,000	\$ 10,023	\$ 12,641	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000
Telephone Expense	\$ 382	\$ 360	\$ 353	\$ 360	\$ 247	\$ 389	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360
Gasoline and Auto Expense	\$ 1,257	\$ 1,242	\$ 4,781	\$ 5,500	\$ 4,087	\$ 4,976	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500
COLA	\$ -	\$ 1,146	\$ 554	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560
Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS	\$ 209,706	\$ 215,292	\$ 225,952	\$ 234,772	\$ 191,419	\$ 226,690	\$ 235,789	\$ 233,740	\$ 235,044	\$ 243,159	\$ 251,949

The Village of Grosse Pointe Shores operates under a traditional “Manager Plan” with the City Manager overseeing the day-to-day operations of the community. The City Manager’s office strives to effectively serve the City Council and the public by demonstrating a high standard of ethics, professionalism and integrity.

The City Manager department expenses include wages and other compensation for the City Manager along with wages and benefits for three full-time employees who perform duties that span several departments. The wages and benefits for these three employees are proportionately distributed among the departments based on the average time spent on the duties within these departments. These other departments include: Finance, Elections, Building, Planning and Zoning, City Clerk and Parks.

The City Manager budget also includes professional services for human resource management and employee benefit specialists utilized by many of the general fund departments.

GENERAL FUND BUDGET – EXPENDITURES – 174 – SHARED EXPENSES

ACTIVITY 174 SHARED EXPENSES	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
Office Supplies	\$ 13,376	\$ 13,978	\$ 14,479	\$ 15,000	\$ 10,141	\$ 15,311	\$ 15,500	\$ 16,000	\$ 16,500	\$ 17,000	\$ 17,500
Postage	\$ 9,964	\$ 7,981	\$ 7,883	\$ 10,000	\$ 6,613	\$ 9,613	\$ 10,000	\$ 10,000	\$ 10,500	\$ 10,500	\$ 11,000
Internet Service	\$ 3,215	\$ 6,300	\$ 6,989	\$ 5,500	\$ 7,475	\$ 8,879	\$ 9,000	\$ 9,500	\$ 9,500	\$ 10,000	\$ 10,000
Telephone Expense	\$ 6,956	\$ 6,663	\$ 7,508	\$ 8,750	\$ 3,248	\$ 3,888	\$ 4,000	\$ 4,250	\$ 4,500	\$ 4,750	\$ 5,000
Shared Equipment	\$ 7,581	\$ 12,631	\$ 11,435	\$ 11,000	\$ 6,171	\$ 12,538	\$ 13,000	\$ 13,500	\$ 14,000	\$ 14,500	\$ 15,000
Computer and Maintenance	\$ 37,312	\$ 12,007	\$ 30,487	\$ 25,000	\$ 22,970	\$ 30,490	\$ 30,000	\$ 31,000	\$ 32,000	\$ 33,000	\$ 34,000
TOTALS	\$ 78,404	\$ 59,560	\$ 78,781	\$ 75,250	\$ 56,618	\$ 80,719	\$ 81,500	\$ 84,250	\$ 87,000	\$ 89,750	\$ 92,500

The Shared Expenses department was created in order to separate many of the expenses that are “shared” by all departments and difficult to prorate between the departments. For example: Maintenance and software updates for the computer server benefit all of the City’s departments. Internet and telephone services are provided by Wide Open West (WOW) which is another example of expenses that are utilized by all departments and its use is difficult to separate between departments.

The telephone system, postage meter and main copier are examples of “Shared Equipment”. Once again, these items are used by members of all departments.

GENERAL FUND BUDGET – EXPENDITURES – 191 – ELECTIONS

ACTIVITY 191 ELECTIONS	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
Wages - FLSA non-exempt	\$ 15,343	\$ 15,673	\$ 16,216	\$ 16,702	\$ 14,314	\$ 17,211	\$ 17,158	\$ 16,475	\$ 15,747	\$ 16,140	\$ 16,544
Overtime - FLSA non-exempt	\$ 1,314	\$ 2,004	\$ 1,454	\$ 1,913	\$ 1,913	\$ 1,913	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Election Worker Fees	\$ 4,040	\$ 4,845	\$ 4,140	\$ 5,240	\$ 5,240	\$ 5,240	\$ 5,500	\$ 6,000	\$ 5,500	\$ 6,500	\$ 6,000
Social Security	\$ 1,281	\$ 1,390	\$ 1,410	\$ 1,438	\$ 1,284	\$ 1,517	\$ 1,555	\$ 1,594	\$ 1,634	\$ 1,674	\$ 1,716
Health Care Insurance	\$ 1,507	\$ 1,558	\$ 1,891	\$ 1,862	\$ 1,935	\$ 2,165	\$ 2,598	\$ 3,118	\$ 3,741	\$ 4,489	\$ 5,387
Life Insurance	\$ 131	\$ 94	\$ 151	\$ 162	\$ 141	\$ 154	\$ 158	\$ 162	\$ 166	\$ 170	\$ 174
Pension Contribution	\$ 2,840	\$ 3,005	\$ 3,654	\$ 2,577	\$ 2,577	\$ 2,577	\$ 2,835	\$ 3,118	\$ 3,430	\$ 3,773	\$ 4,150
Longevity	\$ 200	\$ 200	\$ 200	\$ 240	\$ 240	\$ 240	\$ 260	\$ 260	\$ 100	\$ 100	\$ 100
Workers Compensation	\$ 18	\$ 77	\$ 76	\$ 85	\$ 37	\$ 37	\$ 38	\$ 39	\$ 40	\$ 41	\$ 42
Ballot Supplies	\$ 8,113	\$ 5,361	\$ 3,629	\$ 6,000	\$ 4,409	\$ 5,168	\$ 9,000	\$ 6,000	\$ 9,000	\$ 6,000	\$ 9,000
Advertising Notices	\$ 688	\$ 295	\$ 162	\$ 550	\$ 550	\$ 800	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
COLA	\$ -	\$ 265	\$ 128	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360
TOTALS	\$ 35,475	\$ 34,767	\$ 33,111	\$ 37,129	\$ 33,000	\$ 37,382	\$ 42,461	\$ 40,125	\$ 42,717	\$ 42,248	\$ 46,474

The Elections department is responsible for conducting all elections in the City – Local, School, County, State and Federal elections. The employees and election workers continually attend training sessions to assure up-to-date compliance with all applicable election laws and to assure accurate election records and results.

The City will conduct one known election during the fiscal year ending June 30, 2020 – the November General Election of November 5, 2019.

The City is divided into three precincts – two precincts for the Wayne County portion of Grosse Pointe Shores (Precinct 1 covers voters south of Vernier Road and Precinct 2 covers the voters north of Vernier Road) and one precinct for the Macomb County portion of Grosse Pointe Shores.

There are approximately 2,433 voters within the City.

1,430 Precinct 1

940 Precinct 2

63 Precinct 3

Voter turnout for the 2016 General Election (Presidential) was approximately 78%!

Minimal increases are forecasted for this department.

GENERAL FUND BUDGET – EXPENDITURES – 201 – FINANCIAL ADMINISTRATION

ACTIVITY 201 FINANCIAL ADMINISTRATION	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
Salary	\$ 79,425	\$ 80,828	\$ 81,819	\$ 82,637	\$ 70,630	\$ 84,974	\$ 87,098	\$ 89,276	\$ 91,508	\$ 93,795	\$ 96,140
Deferred Compensation	\$ 8,376	\$ 9,386	\$ 10,884	\$ 12,384	\$ 10,309	\$ 12,418	\$ 12,728	\$ 13,047	\$ 13,373	\$ 13,707	\$ 14,050
Wages - FLSA non-exempt	\$ 19,333	\$ 19,748	\$ 20,263	\$ 20,770	\$ 17,749	\$ 21,344	\$ 21,289	\$ 18,610	\$ 15,785	\$ 16,180	\$ 16,584
Social Security	\$ 8,574	\$ 8,902	\$ 9,118	\$ 9,011	\$ 7,975	\$ 9,415	\$ 9,418	\$ 9,310	\$ 9,263	\$ 9,494	\$ 9,730
Health Care Insurance	\$ 736	\$ 1,225	\$ 1,225	\$ 1,225	\$ 919	\$ 1,226	\$ 1,226	\$ 1,964	\$ 2,357	\$ 2,828	\$ 3,394
Life Insurance	\$ 841	\$ 884	\$ 955	\$ 1,022	\$ 792	\$ 973	\$ 997	\$ 1,022	\$ 1,048	\$ 1,074	\$ 1,101
Pension Contribution	\$ 3,562	\$ 3,768	\$ 4,581	\$ 3,267	\$ 3,267	\$ 3,267	\$ 3,594	\$ 3,953	\$ 4,348	\$ 4,783	\$ 5,262
Longevity	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ -	\$ -	\$ -
Workers Compensation	\$ 342	\$ 483	\$ 484	\$ 525	\$ 542	\$ 542	\$ 556	\$ 569	\$ 584	\$ 598	\$ 613
Audit Expense	\$ 20,525	\$ 19,700	\$ 20,100	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,400	\$ 22,800	\$ 23,200	\$ 23,600	\$ 24,000
Legal Costs	\$ 152,244	\$ 141,796	\$ 211,353	\$ 125,000	\$ 70,166	\$ 92,780	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Professional Services	\$ -	\$ -	\$ 2,083	\$ 2,125	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Refund of Prior Year Taxes	\$ 22,652	\$ (9,109)	\$ 10,547	\$ 3,000	\$ 1,540	\$ 1,540	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
COLA	\$ -	\$ 309	\$ 149	\$ 420	\$ 420	\$ 420	\$ 420	\$ 420	\$ 420	\$ 420	\$ 420
Equipment - Software	\$ 3,522	\$ 6,792	\$ 4,684	\$ 4,777	\$ -	\$ 20,000	\$ 20,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Energy Lease Principal	\$ 249,747	\$ 245,737	\$ 195,612	\$ 215,662	\$ 195,612	\$ 195,612	\$ 195,612	\$ 195,612	\$ 195,612	\$ 195,611	\$ 195,611
Energy Lease Interest	\$ -	\$ -	\$ 46,115	\$ 22,055	\$ 42,105	\$ 42,105	\$ 38,095	\$ 34,085	\$ 30,075	\$ 26,065	\$ 22,055
TOTALS	\$ 570,229	\$ 530,799	\$ 620,322	\$ 526,230	\$ 444,376	\$ 508,966	\$ 493,784	\$ 474,018	\$ 470,572	\$ 471,156	\$ 471,960

The City's Finance Department includes the salary and benefits for one full-time employee along with a portion of one full-time employee with the City Administrative staff.

The Finance Department duties include all City financial responsibilities – accounts payable processing, budget preparation and monitoring, payroll processing and maintenance, cash receipting, bank deposits and investments, accounting functions along with maintaining the City's asset management and all other financial affairs of the City.

Expenses included within this department are the audit fees (Maner Costerisan), legal fees (Foster Swift Collins & Smith PC – General Counsel) and the Energy lease principal and interest payments payable to Pinnacle Public Finance for the Honeywell Energy project of 2014.

SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS

2013 (Honeywell Energy Projects) Pinnacle Public Finance				
Installment Purchase Agreement - \$2,934,173				
Issuance date: July 2013				
Funding source: Operating revenue				
Fiscal year	Principal	Interest October	Interest April	Total payments
2019/2020	195,612.00	20,050.16	18,045.14	233,707.30
2020/2021	195,612.00	18,045.14	16,040.11	229,697.25
2021/2022	195,612.00	16,040.11	14,035.09	225,687.20
2022/2023	195,611.00	14,035.09	12,030.08	221,676.17
2023/2024	195,611.00	12,030.08	10,025.06	217,666.14
2024/2025	195,611.00	10,025.06	8,020.05	213,656.11
2025/2026	195,611.00	8,020.05	6,015.04	209,646.09
2026/2027	195,611.00	6,015.04	4,010.03	205,636.07
2027/2028	195,611.00	4,010.03	2,005.01	201,626.04
2028/2029	195,611.00	2,005.01	0.00	197,616.01
	1,956,113.00	110,275.77	90,225.61	2,156,614.38

GENERAL FUND BUDGET – EXPENDITURES – 209 – ASSESSING

ACTIVITY 209 ASSESSING	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
Assessing Services	\$ 13,650	\$ 26,295	\$ 25,702	\$ 23,702	\$ 21,271	\$ 23,565	\$ 23,951	\$ 24,430	\$ 24,919	\$ 25,417	\$ 25,925
Board of Review Fees	\$ 1,813	\$ 1,625	\$ 2,000	\$ 1,700	\$ 1,625	\$ 1,625	\$ 1,700	\$ 1,700	\$ 1,700	\$ 1,700	\$ 1,700
Miscellaneous Expenses	\$ 1,359	\$ 3,093	\$ 2,068	\$ 2,114	\$ 1,250	\$ 2,114	\$ 2,200	\$ 2,300	\$ 2,400	\$ 2,500	\$ 2,600
TOTALS	\$ 16,822	\$ 31,013	\$ 29,770	\$ 27,516	\$ 24,146	\$ 27,304	\$ 27,851	\$ 28,430	\$ 29,019	\$ 29,617	\$ 30,225

Grosse Pointe Shores has contracted the services of WCA Assessing for our property assessment needs. The Assessing Department is responsible for preparing the annual assessment roll for all real and personal property located within the City. WCA maintains property record and valuation files, property sales records, property tax maps, updating name and address files, homeowner's principal residence exemption affidavit files and property transfer affidavit files. It is their role to assure that the property assessment rolls are accurate, fair and equitable.

The Assessor maintains two values for every parcel, both real and personal property, within the City. The State Equalized Value (SEV) is 50% of the true market value of the property. The taxable value, which came into existence as a result of 1994's Proposal A, Michigan's property tax reform law. The taxable value cannot increase higher than the rate of inflation or 5%, whichever is less, and cannot be higher than the SEV of the property. This formula remains in place until a property is sold at which time the property becomes "uncapped" and changes to match the SEV of the property. The cycle then begins once again from the "uncapped" value.

The Assessor has office hours every Wednesday morning, but is also available by telephone or email the remainder of the week.



GENERAL FUND BUDGET – EXPENDITURES – 215 – CLERK

ACTIVITY 215 CLERK	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
Wages - FLSA non-exempt	\$ 9,819	\$ 10,030	\$ 10,426	\$ 10,686	\$ 9,243	\$ 11,113	\$ 11,074	\$ 11,156	\$ 11,236	\$ 11,516	\$ 11,804
Social Security	\$ 734	\$ 764	\$ 787	\$ 847	\$ 712	\$ 879	\$ 878	\$ 884	\$ 886	\$ 907	\$ 929
Health Care Insurance	\$ 1,297	\$ 1,208	\$ 1,541	\$ 1,672	\$ 1,672	\$ 1,815	\$ 2,178	\$ 2,614	\$ 3,136	\$ 3,764	\$ 4,516
Life Insurance	\$ 107	\$ 101	\$ 98	\$ 106	\$ 92	\$ 101	\$ 104	\$ 106	\$ 109	\$ 111	\$ 114
Pension Contribution	\$ 1,822	\$ 1,928	\$ 2,344	\$ 1,644	\$ 1,644	\$ 1,644	\$ 1,808	\$ 1,989	\$ 2,188	\$ 2,407	\$ 2,648
Longevity	\$ 100	\$ 100	\$ 100	\$ 140	\$ 140	\$ 140	\$ 160	\$ 160	\$ 100	\$ 100	\$ 100
Workers Compensation	\$ 18	\$ 59	\$ 60	\$ 65	\$ 37	\$ 37	\$ 38	\$ 39	\$ 40	\$ 41	\$ 42
Membership Dues	\$ 50	\$ 50	\$ -	\$ 150	\$ -	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150
Printing and Publishing	\$ 1,846	\$ 1,516	\$ 1,842	\$ 2,200	\$ 2,304	\$ 2,718	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
COLA	\$ -	\$ 176	\$ 85	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240
TOTALS	\$ 15,793	\$ 15,932	\$ 17,283	\$ 17,750	\$ 16,084	\$ 18,837	\$ 19,630	\$ 20,338	\$ 21,085	\$ 22,236	\$ 23,543

The City Clerk Office performs the traditional duties of the City Clerk as prescribed by Federal and State Law along with the City Charter. The office is responsible for voter registration, maintenance of all official City records and documents along with the duties as Secretary to the City Council. Staff from the Administrative office assist in these functions.

The City Clerk is appointed by the City Council and is not compensated.

Minimal increases are forecasted for these line items for the upcoming fiscal year.



GENERAL FUND BUDGET – EXPENDITURES – 265 – BUILDINGS AND GROUNDS

ACTIVITY 265 BUILDINGS AND GROUNDS	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
Deferred Compensation	\$ 11,614	\$ 11,511	\$ 13,238	\$ 13,754	\$ 14,810	\$ 15,857	\$ 16,253	\$ 16,660	\$ 17,076	\$ 17,503	\$ 17,941
Salary and Wages	\$ 146,251	\$ 152,909	\$ 174,016	\$ 169,680	\$ 152,470	\$ 177,750	\$ 182,194	\$ 186,749	\$ 191,417	\$ 196,203	\$ 201,108
Seasonal	\$ 14,091	\$ 12,753	\$ 16,687	\$ 11,744	\$ 9,713	\$ 22,213	\$ 22,768	\$ 23,338	\$ 23,921	\$ 24,519	\$ 25,132
Overtime	\$ 2,466	\$ 4,352	\$ 6,307	\$ 6,852	\$ 4,446	\$ 5,927	\$ 6,075	\$ 6,227	\$ 6,383	\$ 6,542	\$ 6,706
Social Security	\$ 14,210	\$ 15,013	\$ 15,906	\$ 16,247	\$ 13,705	\$ 16,412	\$ 16,822	\$ 17,243	\$ 17,674	\$ 18,116	\$ 18,569
Health Care Insurance	\$ 10,394	\$ 11,687	\$ 19,484	\$ 41,787	\$ 30,831	\$ 31,460	\$ 37,752	\$ 45,302	\$ 54,363	\$ 65,235	\$ 78,283
Life Insurance	\$ 1,279	\$ 1,357	\$ 1,476	\$ 1,579	\$ 1,510	\$ 1,633	\$ 1,674	\$ 1,716	\$ 1,759	\$ 1,803	\$ 1,848
Pension Contribution	\$ 9,458	\$ 10,009	\$ 12,170	\$ 8,577	\$ 8,577	\$ 8,577	\$ 9,435	\$ 10,378	\$ 11,416	\$ 12,558	\$ 13,813
Longevity	\$ 600	\$ 600	\$ 600	\$ 300	\$ -	\$ 300	\$ 300	\$ 300	\$ 300	\$ 600	\$ 900
Workers Compensation	\$ 4,339	\$ 5,696	\$ 5,596	\$ 8,613	\$ 8,509	\$ 8,509	\$ 8,722	\$ 8,940	\$ 9,163	\$ 9,392	\$ 9,627
Uniforms	\$ 2,320	\$ 2,310	\$ 2,370	\$ 3,000	\$ 3,098	\$ 3,100	\$ 3,250	\$ 3,250	\$ 3,250	\$ 3,250	\$ 3,250
Miscellaneous Expenses	\$ 225	\$ 141	\$ 26	\$ 500	\$ 145	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300
Janitorial Expenses	\$ 4,800	\$ 4,800	\$ 4,400	\$ 5,000	\$ 4,000	\$ 4,800	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Electricity	\$ 18,099	\$ 18,908	\$ 18,242	\$ 14,223	\$ 14,648	\$ 23,186	\$ 23,650	\$ 24,123	\$ 24,605	\$ 25,097	\$ 25,599
Heat	\$ 3,407	\$ 4,820	\$ 6,721	\$ 7,695	\$ 5,414	\$ 6,810	\$ 6,946	\$ 7,085	\$ 7,227	\$ 7,371	\$ 7,519
Repair/Maintenance of Grounds	\$ 100,563	\$ 56,582	\$ 62,988	\$ 60,000	\$ 25,434	\$ 52,649	\$ 20,000	\$ 22,000	\$ 24,000	\$ 26,000	\$ 28,000
Repair/Maintenance of Trees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ 22,500	\$ 25,000	\$ 22,500	\$ 25,000
Repair/Maintenance of Buildings	\$ 45,444	\$ 46,911	\$ 43,646	\$ 45,000	\$ 46,243	\$ 60,401	\$ 60,000	\$ 60,000	\$ 310,000	\$ 60,000	\$ 60,000
COLA	\$ -	\$ 1,764	\$ 853	\$ 2,521	\$ 2,521	\$ 2,521	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400
Equipment	\$ -	\$ 9,964	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ -	\$ 15,000	\$ -
TOTALS	\$ 389,560	\$ 372,087	\$ 404,726	\$ 417,072	\$ 346,074	\$ 442,405	\$ 458,541	\$ 463,510	\$ 735,254	\$ 519,390	\$ 530,994

The Buildings and Grounds department oversees the maintenance and improvements to the City's municipal buildings and the grounds occupying these buildings and other City owned land. The department is staffed with three full-time employees, one part-time employee and several seasonal employees during the summer months.

The property where the municipal building lies was originally owned at one time by Henry and Clara Ford. The municipal building was constructed in 1915 with major renovations and an addition completed in 1984. The addition included the main entrance/stairway along with an elevator for additional access to the second floor.

In June 2019, a Michigan historical marker was unveiled to the public as awarded by the Michigan Historical Commission in front of the main entrance to City hall. The municipal building was one of many Albert Kahn's design accomplishments. Kahn's other local designs include the Edsel and Eleanor Ford House, the Belle Isle Aquarium, the Fisher Building and the Detroit Athletic Club to name a few.



GENERAL FUND BUDGET – EXPENDITURES – 265 – BUILDINGS AND GROUNDS **(Continued)**

The Beautification Committee introduced the “Sponsor a garden” project in 2010 to assist with the costs associated with the numerous, beautiful gardens and planters throughout our City. Each year the Beautification Committee members solicit donations from the residents to “sponsor” one of the many garden areas for the year. Then in late May, these volunteers along with the assistance of Public Works employees and other residents, plant approximately 4,500 annuals around the City Hall, park, City entrances and the remaining garden locations. Currently there are 78 gardens available for sponsorship. Whether it is the thousands of tulips in the spring, the colorful begonias and impatiens or the hundreds of day lilies planted throughout the community, the colorful landscape is welcoming and refreshing to the residents and visitors to our City.



GENERAL FUND BUDGET – EXPENDITURES – 265 – BUILDINGS AND GROUNDS
(Continued)

A new line item has been created for the Buildings and Grounds department to separate tree maintenance and plantings from the general repair and maintenance of grounds. 2019 marked the 16th anniversary of Grosse Pointe Shores being designated as a Tree City USA community. Grosse Pointe Shores has approximately 3,200 trees on city property alone. The Arbor Day Foundation mandates that a community needs to Celebrate Arbor Day, maintain a tree board or department, have a tree ordinance in place and expense at least \$2 per capita on urban forestry to qualify as a Tree City USA community. Besides funding from the City's general fund, the Grosse Pointe Shores Improvement Foundation proudly assists the City in new tree plantings each year. The designation of Tree City USA demonstrates our commitment to this most important natural resource.



The City Hall is occupied 24 hours per day, seven days a week. As the facility ages, maintenance is anticipated to increase. Many improvements have been made to the building over the past few years including a new HVAC system and the addition of a natural gas generator in case of power outages. Items that require continuous monitoring include the elevator system and roof.

GENERAL FUND BUDGET – EXPENDITURES – 301 – PUBLIC SAFETY

ACTIVITY 301 PUBLIC SAFETY	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
Salary	\$ 70,538	\$ 72,377	\$ 74,501	\$ 76,364	\$ 65,283	\$ 78,534	\$ 80,497	\$ 82,510	\$ 84,573	\$ 86,687	\$ 88,854
Deferred Compensation	\$ 55,402	\$ 56,001	\$ 65,859	\$ 65,962	\$ 53,106	\$ 63,654	\$ 83,745	\$ 85,839	\$ 87,985	\$ 90,185	\$ 92,439
PSO and Command Wages	\$ 1,185,952	\$ 1,220,172	\$ 1,283,672	\$ 1,315,795	\$ 1,077,458	\$ 1,283,985	\$ 1,316,085	\$ 1,348,987	\$ 1,382,711	\$ 1,417,279	\$ 1,452,711
PSO and Command Overtime	\$ 49,102	\$ 48,204	\$ 46,939	\$ 54,571	\$ 69,278	\$ 81,073	\$ 70,000	\$ 71,750	\$ 73,544	\$ 75,382	\$ 77,267
Desk Clerk Wages	\$ 110,921	\$ 110,588	\$ 110,762	\$ 109,892	\$ 97,727	\$ 115,192	\$ 118,072	\$ 121,024	\$ 124,049	\$ 127,150	\$ 130,329
Holiday Pay	\$ 116,615	\$ 118,034	\$ 125,492	\$ 129,085	\$ 103,281	\$ 123,390	\$ 126,475	\$ 129,637	\$ 132,878	\$ 136,199	\$ 139,604
Paramedic Pay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 104,059	\$ 106,661	\$ 109,327	\$ 112,060	\$ 114,862
Social Security	\$ 35,444	\$ 35,391	\$ 35,308	\$ 37,133	\$ 30,040	\$ 37,805	\$ 38,750	\$ 39,719	\$ 40,712	\$ 41,730	\$ 42,773
Health Care Insurance	\$ 189,152	\$ 194,594	\$ 250,270	\$ 306,382	\$ 243,659	\$ 262,870	\$ 315,444	\$ 378,532	\$ 454,239	\$ 545,087	\$ 654,104
Life Insurance	\$ 9,696	\$ 10,398	\$ 11,516	\$ 12,318	\$ 10,341	\$ 11,273	\$ 11,555	\$ 11,844	\$ 12,140	\$ 12,443	\$ 12,754
Pension Contribution	\$ 186,354	\$ 197,223	\$ 239,823	\$ 167,873	\$ 167,873	\$ 167,873	\$ 184,660	\$ 203,126	\$ 223,439	\$ 245,783	\$ 270,361
Longevity	\$ 9,512	\$ 10,100	\$ 10,100	\$ 11,300	\$ 9,700	\$ 10,700	\$ 10,700	\$ 11,100	\$ 12,400	\$ 12,400	\$ 13,200
Workers Compensation	\$ 32,657	\$ 37,266	\$ 36,640	\$ 52,583	\$ 54,261	\$ 54,261	\$ 55,618	\$ 57,008	\$ 58,433	\$ 59,894	\$ 61,391
Uniforms	\$ 13,857	\$ 13,480	\$ 12,871	\$ 15,000	\$ 17,812	\$ 16,000	\$ 16,400	\$ 16,810	\$ 17,230	\$ 17,661	\$ 18,103
Miscellaneous Expenses	\$ 60,611	\$ 62,828	\$ 66,935	\$ 65,000	\$ 50,937	\$ 62,186	\$ 37,930	\$ 38,689	\$ 39,462	\$ 40,252	\$ 41,057
Special Response Team	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
K-9 Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Forfeiture Expenses	\$ 781	\$ 902	\$ 1,036	\$ 1,000	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Membership Dues	\$ 640	\$ 540	\$ 405	\$ 600	\$ 270	\$ 400	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600
Public Safety Radio	\$ 31,710	\$ 27,510	\$ 32,943	\$ 30,000	\$ 21,858	\$ 25,378	\$ 34,186	\$ 34,869	\$ 35,567	\$ 36,278	\$ 37,004
Clemis	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ 20,400	\$ 20,808	\$ 21,224	\$ 21,649
Telephone Expense	\$ 3,333	\$ 2,491	\$ 2,913	\$ 3,500	\$ 2,127	\$ 3,100	\$ 3,162	\$ 3,225	\$ 3,290	\$ 3,356	\$ 3,423
Vehicle Repair and Maintenance	\$ 12,771	\$ 11,990	\$ 13,416	\$ 15,000	\$ 15,019	\$ 15,683	\$ 15,997	\$ 16,317	\$ 16,643	\$ 16,976	\$ 17,315
Gas, Oil and Antifreeze	\$ 19,211	\$ 19,086	\$ 20,980	\$ 20,548	\$ 15,195	\$ 17,098	\$ 17,440	\$ 17,789	\$ 18,145	\$ 18,507	\$ 18,878
Training and Conferences	\$ 5,622	\$ 9,835	\$ 3,055	\$ 7,000	\$ 2,805	\$ 3,205	\$ 3,500	\$ 3,500	\$ 4,000	\$ 4,000	\$ 4,500
Tuition Reimbursement	\$ -	\$ 400	\$ -	\$ 400	\$ -	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
COLA	\$ -	\$ 15,326	\$ 7,215	\$ 20,400	\$ 20,400	\$ 20,400	\$ 20,400	\$ 20,400	\$ 20,400	\$ 20,400	\$ 20,400
Ambulance Cost	\$ 98,083	\$ 99,078	\$ 106,602	\$ 111,130	\$ 57,058	\$ 105,647	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Ambulance Supplies	\$ 2,875	\$ 2,167	\$ 2,864	\$ 3,386	\$ 2,976	\$ 3,000	\$ 3,250	\$ 3,500	\$ 3,750	\$ 4,000	\$ 4,250
Dispatch Cooperation	\$ 75,000	\$ 75,000	\$ 95,000	\$ 75,000	\$ 56,250	\$ 75,000	\$ 70,000	\$ 71,750	\$ 73,544	\$ 75,382	\$ 77,267
Fire/Police Equipment	\$ 13,343	\$ 43,762	\$ -	\$ 60,000	\$ 58,907	\$ 60,000	\$ 42,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Police Vehicles	\$ 25,691	\$ 26,058	\$ 59,518	\$ 30,000	\$ 29,970	\$ 29,970	\$ 34,000	\$ 68,000	\$ 35,000	\$ 35,000	\$ 70,000
TOTALS	\$ 2,414,873	\$ 2,520,801	\$ 2,716,635	\$ 2,797,222	\$ 2,333,591	\$ 2,729,077	\$ 2,846,424	\$ 3,015,484	\$ 3,136,767	\$ 3,307,816	\$ 3,536,994

The Public Safety Department is the largest in terms of budgeted dollars and employees of the City. The City's Public Safety Department was the first in the nation comprised of entirely triple trained officers: police, fire and paramedic services. Currently the City employs 18 sworn police officers and 12 civilian part-time clerks.

The officers and staff of the Grosse Pointe Shores Department of Public Safety are committed to working cooperatively with the community to provide exceptional service and protection to the public from crimes against people and property. The Public Safety Department is dedicated to maintaining safe and secure neighborhoods through professional, ethical and cost-effective service with proactive law enforcement, fire prevention and emergency medical services.

The Public Safety Department officers operate under a 12-hour shift. The civilian part-time clerks operate under an 8-hour shift.

Patrol vehicles are replaced in rotation every two years. At the end of each two year cycle these vehicles often near 100,000 miles is usage. The City's two fire engines were purchased in 1986 and in 1996. Estimated replacement cost for one fire engine is over \$500,000. The City's sole ambulance was purchased in 2007 for \$112,860.

Regular replacement of equipment and gear is required for the safety of the community and the personnel. New breathing apparatus was purchased last year for the Public Safety Officers. The need for this equipment was imperative in case of a multi-alarm fire event. While our officers are fighting a fire along side another department, in the event of low oxygen within their own breathing apparatus, the officers can quickly exchange the oxygen apparatus from another department without delay.

GENERAL FUND BUDGET – EXPENDITURES – 301 – PUBLIC SAFETY (Continued)

Continuous training of the officers in all three fields is needed as well to retain the quality services provided to the residents and visitors of our community. Paramedic and fire training are traditionally performed in-house with accredited instructors. Law enforcement training is performed through courses available on the internet and training sessions scheduled through Macomb Community College among others.

In the fall of 2011, the Village of Grosse Pointe Shores and the City of Grosse Pointe Farms reached an agreement to help reduce costs for both communities. The dispatch and lockup functions were transferred to Grosse Pointe Farms' facilities. The enormous cost to update our facility to meet new and always changing requirements, led to this discussion. Soon Grosse Pointe Shores will join with the City of Grosse Pointe Woods in their state-of-the-art facility for these same functions at a similar cost savings.

Within the budget for the Public Safety Department are four new line items. Paramedic pay was previously lumped in with Ambulance cost. As the wages for paramedic duties are of a large amount within the Ambulance category, the decision was made to separate the expense for more transparency. The three other new line items (Special Response Team, K-9 Expense, and Clemis) were previously reported within the Miscellaneous Expense line item. The importance of the Special Response Team and K-9 expenses to be separate line items came about to raise awareness that Grosse Pointe Shores does participate physically and financially with these teams. The Special Response Team representing the Grosse Pointe communities and the City of Harper Woods is made up of two officer members from each of the five Grosse Pointe communities. Grosse Pointe Shores also contributes to a special K-9 officer from the City of Grosse Pointe Farms that Grosse Pointe Shores has access to should the need arise.

GENERAL FUND BUDGET – EXPENDITURES – 301 – PUBLIC SAFETY (Continued)

Clemis (Courts and Law Enforcement Management Information System) is a service provided through Oakland County that uses computer technology for criminal justice and public safety applications that is linked among multiple agencies promoting communications and sharing of criminal justice information. The public can use the Oakland County Clemis system to pay traffic or parking tickets and to purchase copies of accident reports as needed online. Oakland County invoices Grosse Pointe Shores on a quarterly basis for this much needed tool.



MISSION STATEMENT

The officers and staff of the Grosse Pointe Shores Department of Public Safety are committed to working cooperatively with the community to provide exceptional service and protection to the public from crime against people and property. The Public Safety Department is dedicated to maintaining safe and secure neighborhoods through professional, ethical, and cost effective service with proactive law enforcement, fire protection and emergency medical services.

GENERAL FUND BUDGET – EXPENDITURES – 301 – PUBLIC SAFETY (Continued)

Public Safety measures	2016	2017	2018
Number of sworn officers	18	18	18
Traffic citations issued	1686	1754	1557
Criminal investigations	223	194	164
Non-Criminal investigations	935	939	836
Handgun registrations	67	72	50
Total arrests	210	188	206
Number of fire runs	33	38	68
Number of ambulance runs	204	159	116
Average response time (minutes)	3.4	3.3	3.6
Mutual aid - Police and Fire	39	44	48

LICENSED VEHICLE LISTING

VEHICLE ID	YEAR	MAKE	MODEL	ASSIGNED TO	MILEAGE
4-1	2018	FORD	Explorer	Supervisor	30,130
4-7	2017	FORD	Explorer	Patrol	49,897
4-8	2016	FORD	Taurus	Patrol	90,981
4-9	2017	FORD	Explorer	Patrol	56,969
4-5	2016	FORD	Explorer	Investigator	106,364
4-6	2010	FORD	Taurus	Director	88,865
Medic 4	2007	FORD	Ambulance	Public Safety	18,302
Engine 4	1996	FORD	Pumper	Public Safety	9,737
Engine 4A	1986	FORD	Pumper	Public Safety	16,118
4-X	2011	FORD	Crown Victoria	Training	77,830
Motor 4	2006	HARLEY DAVIDSON	Motorcycle	Public Safety	25,839

GENERAL FUND BUDGET – EXPENDITURES – 441 – PUBLIC WORKS

ACTIVITY 441 PUBLIC WORKS	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
Deferred Compensation	\$ 7,514	\$ 7,392	\$ 9,671	\$ 9,914	\$ 9,805	\$ 11,810	\$ 12,105	\$ 12,408	\$ 12,718	\$ 13,036	\$ 13,362
Salary and Wages	\$ 174,809	\$ 193,711	\$ 186,518	\$ 191,301	\$ 155,553	\$ 184,186	\$ 188,791	\$ 193,510	\$ 198,348	\$ 203,307	\$ 208,390
less Street funds	\$ (29,720)	\$ (31,944)	\$ (35,664)	\$ (36,739)	\$ (21,085)	\$ (31,223)	\$ (32,004)	\$ (32,804)	\$ (33,624)	\$ (34,464)	\$ (35,326)
Social Security	\$ 14,092	\$ 15,270	\$ 14,683	\$ 15,247	\$ 12,522	\$ 14,839	\$ 15,210	\$ 15,590	\$ 15,980	\$ 16,379	\$ 16,789
less Street funds	\$ (2,274)	\$ (2,444)	\$ (2,728)	\$ (2,845)	\$ (1,613)	\$ (2,747)	\$ (2,816)	\$ (2,886)	\$ (2,958)	\$ (3,032)	\$ (3,108)
Health Care Insurance	\$ 24,975	\$ 24,040	\$ 29,208	\$ 31,691	\$ 31,909	\$ 34,386	\$ 41,263	\$ 49,516	\$ 59,419	\$ 71,303	\$ 85,563
less Street funds	\$ (6,893)	\$ (7,297)	\$ (8,110)	\$ (8,842)	\$ (5,285)	\$ (9,034)	\$ (9,260)	\$ (9,491)	\$ (9,729)	\$ (9,972)	\$ (10,221)
Life Insurance	\$ 1,393	\$ 1,473	\$ 1,616	\$ 1,729	\$ 1,491	\$ 1,627	\$ 1,668	\$ 1,709	\$ 1,752	\$ 1,796	\$ 1,841
less Street funds	\$ (216)	\$ (229)	\$ (290)	\$ (307)	\$ (172)	\$ (305)	\$ (313)	\$ (320)	\$ (328)	\$ (337)	\$ (345)
Pension Contribution	\$ 17,152	\$ 18,152	\$ 22,072	\$ 16,377	\$ 16,377	\$ 16,377	\$ 18,015	\$ 19,816	\$ 21,798	\$ 23,978	\$ 26,375
less Street funds	\$ (5,261)	\$ (5,654)	\$ (4,141)	\$ (5,237)	\$ (2,581)	\$ (4,466)	\$ (4,578)	\$ (4,692)	\$ (4,809)	\$ (4,930)	\$ (5,053)
Longevity	\$ 1,400	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 800	\$ 800	\$ 800	\$ 800
less Street funds	\$ (459)	\$ (486)	\$ (506)	\$ (548)	\$ (296)	\$ (524)	\$ (537)	\$ (551)	\$ (564)	\$ (578)	\$ (593)
Workers Compensation	\$ 8,999	\$ 7,856	\$ 8,396	\$ 11,757	\$ 12,540	\$ 12,540	\$ 12,854	\$ 13,175	\$ 13,504	\$ 13,842	\$ 14,188
less Street funds	\$ (1,813)	\$ (1,919)	\$ (2,038)	\$ (2,268)	\$ (1,274)	\$ (2,217)	\$ (2,272)	\$ (2,329)	\$ (2,387)	\$ (2,447)	\$ (2,508)
Uniforms	\$ 1,675	\$ 1,940	\$ 1,973	\$ 2,400	\$ 2,377	\$ 2,427	\$ 2,450	\$ 2,500	\$ 2,550	\$ 2,600	\$ 2,650
less Street funds	\$ (287)	\$ (303)	\$ (395)	\$ (428)	\$ (232)	\$ (382)	\$ (392)	\$ (401)	\$ (411)	\$ (422)	\$ (432)
Miscellaneous Expenses	\$ 21,106	\$ 30,661	\$ 18,379	\$ 20,500	\$ 14,948	\$ 19,635	\$ 16,028	\$ 16,348	\$ 16,675	\$ 17,009	\$ 17,349
Telephone Expense	\$ 2,247	\$ 2,272	\$ 2,273	\$ 2,500	\$ 1,148	\$ 1,572	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Vehicle Repair and Maintenance	\$ 8,033	\$ 13,551	\$ 21,041	\$ 16,000	\$ 9,723	\$ 13,732	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000
Gas, Oil and Antifreeze	\$ 14,134	\$ 12,078	\$ 14,329	\$ 13,533	\$ 12,617	\$ 15,026	\$ 15,327	\$ 15,633	\$ 15,946	\$ 16,265	\$ 16,590
Street Lighting Electric	\$ 9,446	\$ 10,713	\$ 13,030	\$ 15,600	\$ 10,046	\$ 14,140	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Repair/Maintenance Street Lights	\$ 32,019	\$ 47,783	\$ 24,985	\$ 41,076	\$ 14,514	\$ 17,809	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Repair/Maintenance Sidewalks	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000	\$ 4,000	\$ 4,500	\$ 4,500	\$ 5,000
COLA	\$ -	\$ 1,764	\$ 853	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400
Contribution to Major Road Fund	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Contribution to Local Road Fund	\$ 20,000	\$ 20,000	\$ 70,000	\$ 70,000	\$ 35,000	\$ 70,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Machinery and Equipment	\$ -	\$ 111,317	\$ -	\$ 43,000	\$ 31,005	\$ 31,005	\$ 43,000	\$ -	\$ 30,000	\$ -	\$ -
TOTALS	\$ 362,071	\$ 521,297	\$ 386,755	\$ 449,411	\$ 343,037	\$ 414,213	\$ 448,539	\$ 419,931	\$ 467,579	\$ 457,032	\$ 479,710

The Department of Public Works is staffed by three full-time employees and one part-time clerical employee. The main purpose of the Public Works department is to maintain the City's streets as well as maintaining the City's vehicles and street lighting system. Their priority is to provide a safe and healthy environment for all residents and visitors of the community. They are committed to respond and resolve all service requests efficiently and effectively.

One of the City's employees is a State certified mechanic. By having a mechanic as an employee, routine maintenance of vehicles and equipment can be made in-house saving the City financially as well as the almost immediate availability of the equipment versus the down-time of the vehicles and equipment being serviced by an outside facility.



GENERAL FUND BUDGET – EXPENDITURES – 441 – PUBLIC WORKS (Continued)

The City owns, operates and maintains the city street light system versus most other communities where the street lights are the property of an electrical service provider. The street light system contains 287 street lights.

One new line item was added this budget cycle for the Public Works department – Repair and Maintenance of Sidewalks. These expenses were previously reported under Miscellaneous Expense. The City maintains 12.756 miles of sidewalks within the community. With each snowfall these sidewalks are kept clear after the roadways have been cleared. Repairs are made to sidewalks as sections age or are damaged by tree roots.

GENERAL FUND BUDGET – EXPENDITURES – 441 – PUBLIC WORKS (Continued)

The Department of Public Works' employees as of October 2018. Included within the Public Works department are staff members working within the Building and Grounds, Public Works, Sanitation and Water departments.

LICENSED VEHICLE LISTING						
VEHICLE #	YEAR	MAKE	MODEL	DEPARTMENT	MILEAGE	
420	2017	FORD	F-150 pickup	DPW	37,453	
430	2019	FORD	T-150 van	WATER	2,543	
431	2006	FORD	F-150 pickup	GROUND	79,069	
432	2000	FORD	E-250 van	DPW	77,769	
440	2005	FORD	F-250 pickup	DPW	94,829	
441	2019	FORD	F-250 pickup	DPW	4,472	
450	2013	FREIGHTLINER	M2 rubbish truck	SANITATION	47,956	
451	2001	FREIGHTLINER	FL-80 rubbish truck	SANITATION	124,500	
452	1990	FORD	L-8000 rubbish truck	SANITATION	165,585	
460	1991	FORD	L-800 dump truck	DPW ROADS	40,577	
461	2017	FREIGHTLINER	M-2106 dump truck	DPW ROADS	3,479	
462	1998	CHEVROLET	C-3500 dump truck	DPW ROADS	85,995	
463	2002	FORD	F-550 dump truck	DPW ROADS	69,823	
	1997	FORD	Street sweeper	DPW ROADS	18,935	

GENERAL FUND BUDGET – EXPENDITURES – 442 – BUILDING DEPARTMENT

ACTIVITY 442 BUILDING DEPARTMENT	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
Wages - FLSA non-exempt	\$ 26,483	\$ 27,051	\$ 28,295	\$ 29,002	\$ 25,165	\$ 30,266	\$ 31,023	\$ 31,798	\$ 32,593	\$ 33,408	\$ 34,243
Social Security	\$ 1,964	\$ 1,970	\$ 2,120	\$ 2,193	\$ 1,910	\$ 2,277	\$ 2,334	\$ 2,392	\$ 2,452	\$ 2,513	\$ 2,576
Health Care Insurance	\$ 5,292	\$ 5,006	\$ 6,338	\$ 6,877	\$ 6,821	\$ 7,349	\$ 8,819	\$ 10,583	\$ 12,699	\$ 15,239	\$ 18,287
Life Insurance	\$ 219	\$ 228	\$ 251	\$ 271	\$ 237	\$ 258	\$ 264	\$ 271	\$ 278	\$ 285	\$ 292
Pension Contribution	\$ 4,902	\$ 5,187	\$ 6,307	\$ 4,432	\$ 4,432	\$ 4,432	\$ 4,875	\$ 5,363	\$ 5,899	\$ 6,489	\$ 7,138
Longevity	\$ 370	\$ 370	\$ 370	\$ 370	\$ 370	\$ 370	\$ 450	\$ 450	\$ 400	\$ 400	\$ 400
Workers Compensation	\$ 99	\$ 147	\$ 148	\$ 160	\$ 75	\$ 75	\$ 77	\$ 79	\$ 81	\$ 83	\$ 85
Miscellaneous Expense	\$ 225	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Building Department Expenses	\$ 29,783	\$ 27,512	\$ 25,445	\$ 57,168	\$ 26,118	\$ 34,260	\$ 36,000	\$ 36,000	\$ 36,000	\$ 36,000	\$ 36,000
COLA	\$ -	\$ 397	\$ 192	\$ 540	\$ 540	\$ 540	\$ 540	\$ 540	\$ 540	\$ 540	\$ 540
Equipment - Software	\$ 734	\$ 741	\$ -	\$ -	\$ 775	\$ 775	\$ 800	\$ 800	\$ 800	\$ 850	\$ 850
TOTALS	\$ 70,071	\$ 68,609	\$ 69,466	\$ 101,013	\$ 66,443	\$ 80,602	\$ 85,182	\$ 88,276	\$ 91,742	\$ 95,807	\$ 100,411

The Building Department is responsible for assuring structures within the City are safe for all residents and visitors by ensuring ordinance enforcement of all building, electrical, plumbing and mechanical codes. The Building Department staff and inspectors review plans, approve plans, issue permits and conduct the necessary inspections through the construction and improvement process.

Building, Mechanical, Electrical and Plumbing inspections are performed by contracted inspectors which is most cost effective for our small community.

An increase in the Building Department expenses is expected once again this year due to the large construction project located at the Edsel and Eleanor Ford House. Construction is expected to be completed at the end of 2020.

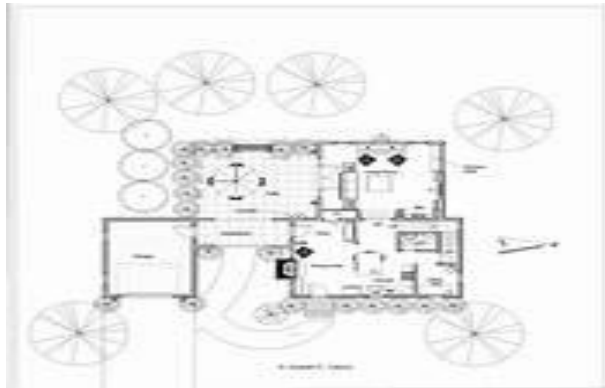


GENERAL FUND BUDGET – EXPENDITURES – 443 – PLANNING AND ZONING

ACTIVITY 443 PLANNING AND ZONING	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
Wages - FLSA non-exempt	\$ 5,930	\$ 6,058	\$ 6,350	\$ 6,509	\$ 5,657	\$ 6,804	\$ 6,974	\$ 7,148	\$ 7,327	\$ 7,510	\$ 7,698
Social Security	\$ 435	\$ 452	\$ 470	\$ 513	\$ 424	\$ 508	\$ 521	\$ 534	\$ 547	\$ 561	\$ 575
Health Care Insurance	\$ 1,332	\$ 1,208	\$ 1,541	\$ 1,672	\$ 1,672	\$ 1,816	\$ 2,179	\$ 2,615	\$ 3,138	\$ 3,766	\$ 4,519
Life Insurance	\$ 49	\$ 51	\$ 56	\$ 61	\$ 53	\$ 59	\$ 60	\$ 62	\$ 64	\$ 65	\$ 67
Pension Contribution	\$ 1,098	\$ 1,162	\$ 1,412	\$ 992	\$ 992	\$ 992	\$ 1,091	\$ 1,200	\$ 1,320	\$ 1,452	\$ 1,598
Longevity	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
Workers Compensation	\$ 12	\$ 34	\$ 36	\$ 45	\$ 37	\$ 37	\$ 38	\$ 39	\$ 40	\$ 41	\$ 42
Professional Services	\$ 19,129	\$ 32,188	\$ 12,045	\$ 15,641	\$ 7,642	\$ 11,432	\$ 12,000	\$ 13,000	\$ 14,000	\$ 15,000	\$ 16,000
COLA	\$ -	\$ 88	\$ 43	\$ 120	\$ 120	\$ 120	\$ 120	\$ 120	\$ 120	\$ 120	\$ 120
TOTALS	\$ 28,065	\$ 41,321	\$ 22,033	\$ 25,633	\$ 16,677	\$ 21,848	\$ 23,084	\$ 24,818	\$ 26,656	\$ 28,615	\$ 30,718

The City contracts with Carlisle Wortman Associates to provide planning and zoning reviews and consulting with the City's Planning Commission and Zoning Board of Appeals. The process on all new construction starts with a site plan review in order to make sure that the new construction is within the guidelines of the City's planning and zoning ordinances. Occasionally the ordinances will need to be revised. As the need arises, Carlisle Wortman Associates will suggest the necessary revisions to the Planning Commission and City Council.

Minimal increases are forecasted for these line items for the upcoming fiscal year.



GENERAL FUND BUDGET – EXPENDITURES – 521 – SANITATION DEPARTMENT

ACTIVITY 521 SANITATION	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
Wages - FLSA non-exempt	\$ 224,131	\$ 236,285	\$ 241,778	\$ 247,822	\$ 213,987	\$ 259,005	\$ 265,480	\$ 272,117	\$ 278,920	\$ 285,893	\$ 293,040
Seasonal	\$ 35,983	\$ 36,503	\$ 39,647	\$ 40,651	\$ 23,367	\$ 37,481	\$ 38,418	\$ 39,378	\$ 40,363	\$ 41,372	\$ 42,406
Overtime - FLSA non-exempt	\$ 4,315	\$ 9,259	\$ 8,890	\$ 10,743	\$ 6,989	\$ 8,182	\$ 8,387	\$ 8,596	\$ 8,811	\$ 9,031	\$ 9,257
Social Security	\$ 18,021	\$ 20,063	\$ 20,915	\$ 20,591	\$ 18,255	\$ 23,051	\$ 23,627	\$ 24,218	\$ 24,823	\$ 25,444	\$ 26,080
Health Care Insurance	\$ 57,681	\$ 53,873	\$ 66,235	\$ 71,604	\$ 70,506	\$ 76,349	\$ 91,619	\$ 109,943	\$ 131,931	\$ 158,317	\$ 189,981
Life Insurance	\$ 2,030	\$ 2,156	\$ 2,347	\$ 2,511	\$ 2,186	\$ 2,385	\$ 2,445	\$ 2,506	\$ 2,568	\$ 2,633	\$ 2,698
Pension Contribution	\$ 41,372	\$ 43,784	\$ 53,241	\$ 39,736	\$ 39,736	\$ 39,736	\$ 43,710	\$ 48,081	\$ 52,889	\$ 58,177	\$ 63,995
Longevity	\$ 4,000	\$ 4,200	\$ 4,200	\$ 4,600	\$ 4,400	\$ 4,400	\$ 4,600	\$ 3,800	\$ 3,800	\$ 3,800	\$ 4,000
Workers Compensation	\$ 11,922	\$ 13,368	\$ 14,768	\$ 19,105	\$ 18,705	\$ 18,705	\$ 19,173	\$ 19,652	\$ 20,143	\$ 20,647	\$ 21,163
Uniforms	\$ 3,155	\$ 3,794	\$ 3,278	\$ 4,000	\$ 3,923	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Miscellaneous Expense	\$ 6,601	\$ 5,644	\$ 1,215	\$ 1,504	\$ 1,942	\$ 1,866	\$ 1,900	\$ 1,900	\$ 2,000	\$ 2,000	\$ 2,100
Sanitation Fees	\$ 65,950	\$ 71,517	\$ 62,704	\$ 66,487	\$ 62,628	\$ 77,750	\$ -	\$ -	\$ -	\$ -	\$ -
Grosse Pointe-Clinton Refuse	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,000	\$ 22,000	\$ 23,000	\$ 24,000	\$ 25,000
Yard Waste Collection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,000	\$ 14,000	\$ 15,000	\$ 15,000	\$ 16,000
Recycling Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,003	\$ 32,323	\$ 32,646	\$ 32,973	\$ 33,302
Vehicle Repair and Maintenance	\$ 7,320	\$ 12,417	\$ 12,052	\$ 8,740	\$ 13,909	\$ 14,711	\$ 10,000	\$ 11,000	\$ 12,000	\$ 13,000	\$ 14,000
Gas, Oil and Antifreeze	\$ 16,854	\$ 6,210	\$ 7,597	\$ 6,749	\$ 6,229	\$ 8,778	\$ 8,954	\$ 9,133	\$ 9,315	\$ 9,502	\$ 9,692
COLA	\$ -	\$ 4,410	\$ 2,132	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
Equipment	\$ -	\$ 14,070	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS	\$ 499,335	\$ 537,553	\$ 540,999	\$ 550,843	\$ 492,762	\$ 582,399	\$ 595,314	\$ 628,646	\$ 668,210	\$ 711,789	\$ 762,715

The City's Sanitation Department employs five full-time employees and several part-time seasonal workers during the summer and fall. Unique to our community from others, our Sanitation Department collects household refuse from outside the home versus curbside collection. The department also collects curbside yard waste from April through November of each year. Recycling curbside collection is contracted through Green for Life. Other services include the operation of leaf collection each fall and special collection of heavy household items such as appliances and furniture.



GENERAL FUND BUDGET – EXPENDITURES – 521 – SANITATION DEPARTMENT (Continued)

The City's tree-lined streets add beauty to the community but also require a large cleanup effort each fall. Burning of leaves is prohibited within the community. A special leaf collection process rotates throughout the City. The State of Michigan legislated several years ago that no leaves or grass clippings can be deposited in any Michigan landfills. In 2018, 576 man hours were dedicated to leaf pickup.

Three new line items are being introduced this year to replace the Sanitation Fees line item. We believe it is important for residents and taxpayers to be able to view the breakdown of the sanitation fees such as Recycling, Yard Waste collection and normal household collection fees.

Minimal increases are forecasted for this department in the upcoming fiscal year.

TONNAGE REPORT	2016	2017	2018
Household waste	1237	1192	1202
Yard waste	761	732	946
Recycling	216	220	213
TOTALS	2214	2144	2361

GENERAL FUND BUDGET – EXPENDITURES – 691 – PARKS AND RECREATION

ACTIVITY 691 PARKS AND RECREATION	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
Wages - Gate Guards	\$ 69,652	\$ 75,136	\$ 72,747	\$ 90,796	\$ 54,802	\$ 81,619	\$ 93,060	\$ 95,387	\$ 97,771	\$ 100,215	\$ 102,721
Wages - Life Guards	\$ 40,149	\$ 45,336	\$ 42,090	\$ 42,645	\$ 30,495	\$ 44,495	\$ 45,607	\$ 46,748	\$ 47,916	\$ 49,114	\$ 50,342
Wages - Swim Instructor	\$ 874	\$ 2,551	\$ 2,675	\$ 2,810	\$ 1,300	\$ 2,500	\$ 2,563	\$ 2,627	\$ 2,692	\$ 2,760	\$ 2,829
Wages - Park Director	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 51,250	\$ 52,531	\$ 53,845	\$ 55,191
Wages - Pool Managers	\$ 15,130	\$ 16,779	\$ 16,367	\$ 16,809	\$ 11,966	\$ 17,466	\$ 17,903	\$ 18,350	\$ 18,809	\$ 19,279	\$ 19,761
Wages - Aquatics Director	\$ 13,000	\$ 13,863	\$ 13,669	\$ 13,597	\$ 7,594	\$ 12,657	\$ 12,973	\$ 13,297	\$ 13,630	\$ 13,970	\$ 14,320
Wages - Swim Team Head Coach	\$ 5,400	\$ 6,750	\$ 6,000	\$ 6,060	\$ 2,250	\$ 6,250	\$ 6,406	\$ 6,566	\$ 6,731	\$ 6,899	\$ 7,071
Wages - Swim Team Assistant Coaches	\$ 8,936	\$ 10,550	\$ 8,986	\$ 10,382	\$ 4,308	\$ 8,308	\$ 8,516	\$ 8,729	\$ 8,947	\$ 9,170	\$ 9,400
Wages - Tennis/Concession Staff/Other	\$ 5,800	\$ 2,400	\$ 14,858	\$ 10,021	\$ 16,256	\$ 23,506	\$ -	\$ -	\$ -	\$ -	\$ -
Wages - Concession Staff	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ 15,375	\$ 15,759	\$ 16,153	\$ 16,557
Wages - Other Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,125	\$ 5,253	\$ 5,384	\$ 5,519
Wages - Seasonal Grounds	\$ 8,631	\$ 5,660	\$ 9,066	\$ 10,000	\$ 6,087	\$ 13,087	\$ 13,414	\$ 13,750	\$ 14,093	\$ 14,446	\$ 14,807
Wages - Administrative Support Staff	\$ 16,513	\$ 16,649	\$ 17,126	\$ 17,518	\$ 15,174	\$ 18,030	\$ 18,481	\$ 18,943	\$ 19,416	\$ 19,902	\$ 20,399
Social Security	\$ 14,289	\$ 15,428	\$ 15,545	\$ 15,865	\$ 11,491	\$ 17,495	\$ 22,179	\$ 22,733	\$ 23,302	\$ 23,884	\$ 24,481
Health Care Insurance	\$ 2,602	\$ 1,753	\$ 2,091	\$ 2,054	\$ 1,935	\$ 2,421	\$ 2,905	\$ 3,486	\$ 4,183	\$ 5,020	\$ 6,024
Life Insurance	\$ 109	\$ 149	\$ 151	\$ 161	\$ 141	\$ 154	\$ 158	\$ 162	\$ 166	\$ 170	\$ 174
Pension Contribution	\$ 2,840	\$ 3,005	\$ 3,654	\$ 2,577	\$ 2,577	\$ 2,577	\$ 2,835	\$ 3,118	\$ 3,430	\$ 3,773	\$ 4,150
Longevity	\$ 200	\$ 200	\$ 200	\$ 240	\$ 240	\$ 240	\$ 260	\$ 260	\$ 100	\$ 100	\$ 100
Workers Compensation	\$ 2,850	\$ 3,849	\$ 3,421	\$ 5,041	\$ 5,387	\$ 5,387	\$ 5,522	\$ 5,660	\$ 5,801	\$ 5,946	\$ 6,095
Uniforms	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,500	\$ 4,613	\$ 4,728	\$ 4,846	\$ 4,967
Pool Chemicals	\$ 6,923	\$ 8,062	\$ 10,370	\$ 9,713	\$ 4,960	\$ 11,460	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000
Miscellaneous Expense	\$ 17,182	\$ 17,309	\$ 21,471	\$ 19,499	\$ 14,884	\$ 25,308	\$ 12,000	\$ 12,000	\$ 13,000	\$ 13,000	\$ 14,000
Community Events Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000
Electricity	\$ 9,900	\$ 10,908	\$ 11,047	\$ 10,015	\$ 6,172	\$ 10,820	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000
Heat	\$ 6,954	\$ 7,960	\$ 14,818	\$ 14,543	\$ 4,137	\$ 8,507	\$ 10,000	\$ 10,000	\$ 11,000	\$ 11,000	\$ 12,000
Repair/Maintenance - Bldg and Grounds	\$ 97,318	\$ 89,419	\$ 346,035	\$ 387,759	\$ 387,616	\$ 501,188	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Repair/Maintenance - Buildings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Repair/Maintenance - Pool	\$ 24,824	\$ 13,409	\$ 23,447	\$ 15,853	\$ 3,865	\$ 18,797	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
COLA	\$ -	\$ 265	\$ 128	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360
Machinery and Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS	\$ 370,076	\$ 367,390	\$ 655,962	\$ 704,318	\$ 593,997	\$ 832,632	\$ 485,641	\$ 494,537	\$ 505,619	\$ 515,237	\$ 527,268

The Parks and Recreation Department offers many programs and activities to be enjoyed by our residents year-round. The George Osius Park is located at 800 Lake Shore Road on the shores of Lake St. Clair covering 8.3 acres. Included within the residents only park is our swimming pool, wading pool, splash pad, tennis courts, basketball court, playscape, pavilion, concession stand, picnic areas and our bathhouse/office that includes showers, restrooms and lockers.



GENERAL FUND BUDGET – EXPENDITURES – 691 – PARKS AND RECREATION (Continued)

Residents are required to complete a park pass application each year for their household. Park passes are generated by the Public Safety Department. Upon vehicle entry in our newly completed entrance, park passes are presented to the gate guards for entry. The park pass barcode is scanned for up-to-date entry eligibility.



Activities and special events are planned each year including: Easter Egg hunt, Boo-fest, swim lessons, tennis lessons, Tai-chi, water aerobics, fishing derby, chess tournament, tennis tournament, Arbor Day fun run, Classic car show to name a few.

During the winter season, the sledding hill is available when the appropriate amount of snow is present for safety reasons.

For the new fiscal year, the City Council approved the hiring of a new Park Director to oversee the Parks and Recreation Department's current activities and employees, along with creative new ideas for future events and services. This position is currently limited in hours of employment and will be revisited over the winter/spring for any changes or additions to the current scope of hours and duties.

GENERAL FUND BUDGET – EXPENDITURES – 954 – FRINGE BENEFITS/INSURANCE

ACTIVITY 954 FRINGE BENEFITS/INSURANCE	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
Sick Bank	\$ 12,042	\$ 22,188	\$ 29,598	\$ 26,274	\$ 26,274	\$ 26,274	\$ 28,300	\$ 44,967	\$ 44,967	\$ 41,667	\$ 45,000
Retiree Health Care Contribution	\$ 130,000	\$ 130,000	\$ 130,000	\$ 223,189	\$ 173,189	\$ 223,189	\$ 200,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
Fleet and Public Liability Insurance	\$ 124,649	\$ 133,979	\$ 147,908	\$ 155,303	\$ 152,436	\$ 152,436	\$ 157,009	\$ 161,719	\$ 166,571	\$ 171,568	\$ 176,715
Capital Equipment/Improvement Reserve	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contribution to Marina Fund	\$ 100,000	\$ 125,000	\$ 100,000	\$ 50,000	\$ 25,000	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
TOTALS	\$ 366,691	\$ 411,167	\$ 407,506	\$ 484,766	\$ 376,899	\$ 451,899	\$ 385,309	\$ 406,686	\$ 411,538	\$ 413,235	\$ 421,715

This category includes items of several types.

Fringe Benefits includes sick bank payouts for full-time employees upon the termination of their employment – in most cases this is at retirement. The amount due to the employees is set forth in their bargaining agreements/labor contracts.

Contributions to the Retiree Health Care Fund and to the Marina Fund are performed annually as needed. Funds are placed in our Capital Equipment/Improvement Reserve each year to help fund major replacements or future improvements.

Fleet & Public Liability includes all insurance coverage of the City's vehicles, buildings and infrastructure through Michigan Municipal Risk Management Authority pool. The line item in this department is the actual insurance expense. Annual rebates and/or distribution of excess funds in the pool are reported in the General Fund Revenue line "MMRMA/WC Adjustments".

MAJOR STREET FUND BUDGET – 202

	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
REVENUES											
State Gas Tax	\$ 144,230	\$ 157,397	\$ 188,604	\$ 184,120	\$ 131,509	\$ 191,188	\$ 195,000	\$ 200,000	\$ 202,000	\$ 204,000	\$ 206,000
Other State Grants	\$ -	\$ -	\$ -	\$ -	\$ 16,951	\$ 16,951	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	\$ 82	\$ 264	\$ 651	\$ 670	\$ 721	\$ 810	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Contribution from General Fund	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Surplus Fund Used	\$ -	\$ -	\$ -	\$ (18,390)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 194,312	\$ 207,661	\$ 189,255	\$ 166,400	\$ 149,181	\$ 208,949	\$ 246,000	\$ 251,000	\$ 253,000	\$ 255,000	\$ 257,000
EXPENDITURES											
Street Maintenance	\$ 53,645	\$ 37,273	\$ 37,924	\$ 38,000	\$ 21,753	\$ 37,749	\$ 38,000	\$ 38,000	\$ 38,000	\$ 38,000	\$ 38,000
Traffic Services	\$ 6,524	\$ 6,624	\$ 9,702	\$ 10,000	\$ 746	\$ 1,746	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Winter Maintenance	\$ 12,894	\$ 11,658	\$ 22,241	\$ 30,000	\$ 16,151	\$ 21,769	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Administrative	\$ 13,658	\$ 15,392	\$ 18,825	\$ 18,400	\$ 14,699	\$ 20,886	\$ 19,500	\$ 20,000	\$ 20,200	\$ 20,400	\$ 20,600
Project Costs	\$ 6,469	\$ 147,295	\$ 3,707	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Contribution to Local Road Fund	\$ 10,000	\$ 10,000	\$ 80,000	\$ 70,000	\$ 35,000	\$ 70,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
To Surplus Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,799	\$ 53,500	\$ 58,000	\$ 59,800	\$ 61,600	\$ 63,400
	\$ 103,190	\$ 228,242	\$ 172,399	\$ 166,400	\$ 88,349	\$ 208,949	\$ 246,000	\$ 251,000	\$ 253,000	\$ 255,000	\$ 257,000
BUDGET NET REVENUES (Expenditures)	\$ 91,122	\$ (20,581)	\$ 16,856	\$ -	\$ 60,832	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
End of Fiscal Year Fund Balance	\$ -		\$ 228,712			\$ 235,511	\$ 289,011	\$ 347,011	\$ 406,811	\$ 468,411	\$ 531,811

Each Michigan city is required to establish a major street fund in compliance with Act 51 of the Public Acts of 1951.

The Major Street Fund is one of several governmental type funds. Streets included in this fund are Lake Shore Road north of Vernier road, Vernier Road, Woodland Shore Drive, Claireview Road, Lochmoor Boulevard and Hampton Road. Lake Shore Road south of Vernier Road is a County road and is therefore maintained by Wayne County.

The main revenue source for the Major Street Fund is the Michigan Transportation Fund Distribution. These funds are issued by the State of Michigan monthly and allocated to each community based on the formula of 60% population and 40% roadway miles multiplied by the population factor.

Typical expenditures include maintaining the roadways, removal of snow from the roadway, traffic signal costs and non-motorized expenditures.

This fund technically has no employees. Work is performed by employees of the General Fund in which the Major Street Fund reimburses.

The City maintains 3.41 miles of Major streets.

LOCAL STREET FUND – 203

	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
REVENUES											
State Gas Tax	\$ 81,574	\$ 68,427	\$ 81,995	\$ 80,478	\$ 57,150	\$ 82,888	\$ 84,000	\$ 85,000	\$ 86,000	\$ 87,000	\$ 88,000
Other State Grants	\$ -	\$ -	\$ 19,776	\$ -	\$ 16,951	\$ 16,951	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	\$ 58	\$ 218	\$ 741	\$ 673	\$ 1,164	\$ 1,278	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250
Contribution from General Fund	\$ 20,000	\$ 20,000	\$ 70,000	\$ 70,000	\$ 35,000	\$ 70,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Contribution from Major Road Fund	\$ 10,000	\$ 10,000	\$ 80,000	\$ 70,000	\$ 35,000	\$ 70,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Surplus Fund Used	\$ -	\$ -	\$ -	\$ 107,349	\$ -	\$ 71,973	\$ 13,650	\$ 12,750	\$ 11,850	\$ 10,950	\$ 10,050
	\$ 111,632	\$ 98,645	\$ 252,512	\$ 328,500	\$ 145,265	\$ 313,090	\$ 173,900	\$ 174,000	\$ 174,100	\$ 174,200	\$ 174,300
EXPENDITURES											
Street Maintenance	\$ 44,310	\$ 43,255	\$ 35,334	\$ 35,000	\$ 18,940	\$ 32,301	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Traffic Services	\$ -	\$ -	\$ -	\$ 500	\$ -	\$ -	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Winter Maintenance	\$ 11,069	\$ 17,351	\$ 30,377	\$ 30,000	\$ 19,658	\$ 22,869	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Administrative	\$ 6,344	\$ 6,682	\$ 8,183	\$ 8,000	\$ 6,386	\$ 9,099	\$ 8,400	\$ 8,500	\$ 8,600	\$ 8,700	\$ 8,800
Project Costs	\$ -	\$ -	\$ 208,790	\$ 255,000	\$ 238,821	\$ 248,821	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
To Surplus Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 61,723	\$ 67,288	\$ 282,684	\$ 328,500	\$ 283,805	\$ 313,090	\$ 173,900	\$ 174,000	\$ 174,100	\$ 174,200	\$ 174,300
BUDGET NET REVENUES (Expenditures)	\$ 49,909	\$ 31,357	\$ (30,172)	\$ -	\$ (138,540)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
End of Fiscal Year Fund Balance	\$ -		\$ 200,510			\$ 128,537	\$ 114,887	\$ 102,137	\$ 90,287	\$ 79,337	\$ 69,287

Each Michigan city is required to establish a local street fund in compliance with Act 51 of the Public Acts of 1951.

The Local Street Fund is another of the several governmental type funds. Streets included in this fund are Oxford Road, Renaud Road, Greenbriar Lane, Roslyn Road, Stillmeadow Lane and the many others not included in the Major Street Fund.

The main revenue source for the Local Street Fund is the Michigan Transportation Fund Distribution. These funds are issued by the State of Michigan monthly allocated on 60% population and 40% on roadway miles times the population factor.

Expenditures include maintaining the roadways and removal of snow from the roadways. This fund technically has no employees. Work is performed by employees of the General Fund in which the Local Street Fund reimburses.

Proposed improvements for the 2019/2020 fiscal year include repairs to Hawthorne, Roslyn and Oxford Roads.

The City maintains 10.21 miles of Local streets.

911 SERVICE FUND – 261

	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
REVENUES											
911 Operational Funds	\$ 22,725	\$ 21,842	\$ 32,950	\$ 22,000	\$ 11,393	\$ 21,393	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000
Contribution from General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Surplus Fund Used	\$ 18,414	\$ -	\$ -	\$ (3,400)	\$ -	\$ -	\$ 11,000	\$ -	\$ -	\$ -	\$ -
	\$ 41,139	\$ 21,842	\$ 32,950	\$ 18,600	\$ 11,393	\$ 21,393	\$ 33,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000
EXPENDITURES											
911 Operating Expenses	\$ 41,139	\$ 17,038	\$ 15,298	\$ 18,600	\$ 7,900	\$ 10,670	\$ 26,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
To Surplus Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,723	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
	\$ 41,139	\$ 17,038	\$ 15,298	\$ 18,600	\$ 7,900	\$ 21,393	\$ 33,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000
BUDGET NET REVENUES (Expenditures)	\$ -	\$ 4,804	\$ 17,652	\$ -	\$ 3,493	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
End of Fiscal Year Fund Balance			\$ 65,820			\$ 76,543	\$ 72,543	\$ 79,543	\$ 86,543	\$ 93,543	\$ 100,543

The 911 Service Fund is funded by the 911 service fee/surcharge on each telephone line in the community. These funds are remitted to the Conference of Eastern Wayne which comprises of the City of Grosse Pointe, City of Grosse Pointe Farms, City of Grosse Pointe Woods, City of Grosse Pointe Park, City of Harper Woods and the Village of Grosse Pointe Shores. The Conference of Eastern Wayne then distributes these funds to each of the member communities.

Expenditures are to be used for the operation of the 911 system and related activities.

DRUG LAW ENFORCEMENT FUND – 265

	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
REVENUES											
Drug Forfeiture	\$ 10,038	\$ 26,408	\$ 6,698	\$ 5,000	\$ 2,100	\$ 2,100	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Surplus Fund Used	\$ -	\$ -	\$ -	\$ (2,500)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 10,038	\$ 26,408	\$ 6,698	\$ 2,500	\$ 2,100	\$ 2,100	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
EXPENDITURES											
Forfeiture Expense	\$ 70	\$ 3,690	\$ 25,522	\$ 2,500	\$ -	\$ -	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
To Surplus Fund	\$ 9,968	\$ 22,718	\$ -	\$ -	\$ -	\$ -	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
	\$ 10,038	\$ 26,408	\$ 25,522	\$ 2,500	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
BUDGET NET REVENUES (Expenditures)	\$ -	\$ -	\$ (18,824)	\$ -	\$ 2,100	\$ 2,100	\$ -	\$ -	\$ -	\$ -	\$ -
End of Fiscal Year Fund Balance	\$ -		\$ 13,862			\$ 13,862	\$ 16,362	\$ 18,862	\$ 21,362	\$ 23,862	\$ 26,362

The Drug Law Enforcement Fund is a special revenue fund required under the provisions of Act 368 of 1978 to handle the funds related to the forfeiture of money and property seized during a drug related arrest/conviction. The budgeted amounts are estimated based on the uncertainty of the number of arrests and the amounts seized each year.

Expenditures from this fund are restricted by statute for enforcement of narcotic laws.

DEBT SERVICE FUND – 301

	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
REVENUES											
Property Tax	\$ 520,650	\$ 278,222	\$ 271,243	\$ 262,023	\$ 251,259	\$ 251,259	\$ 257,547	\$ 296,097	\$ 283,522	\$ 274,772	\$ 334,972
Surplus Fund Used	\$ (1,007)	\$ 2,401	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 519,643	\$ 280,623	\$ 271,243	\$ 262,023	\$ 251,259	\$ 251,259	\$ 257,547	\$ 296,097	\$ 283,522	\$ 274,772	\$ 334,972
EXPENDITURES											
Bond Principal	\$ 95,260	\$ 95,260	\$ 93,095	\$ 90,930	\$ 90,930	\$ 90,930	\$ 90,930	\$ 110,415	\$ 108,250	\$ 108,250	\$ 138,560
Bond Interest	\$ 28,155	\$ 26,250	\$ 24,366	\$ 22,526	\$ 22,526	\$ 22,526	\$ 20,480	\$ 17,687	\$ 14,407	\$ 10,618	\$ 6,375
Agent Fees	\$ 108	\$ -	\$ 108	\$ -	\$ 108	\$ 108	\$ 108	\$ 108	\$ 108	\$ 108	\$ 108
Transfer to Water and Sewer Fund	\$ 396,120	\$ 159,113	\$ 153,954	\$ 148,567	\$ 148,567	\$ 148,567	\$ 146,029	\$ 167,887	\$ 160,757	\$ 155,796	\$ 189,929
To Surplus Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 519,643	\$ 280,623	\$ 271,523	\$ 262,023	\$ 262,131	\$ 262,131	\$ 257,547	\$ 296,097	\$ 283,522	\$ 274,772	\$ 334,972
BUDGET NET REVENUES (Expenditures)	\$ -	\$ -	\$ (280)	\$ -	\$ (10,872)	\$ (10,872)	\$ -	\$ -	\$ -	\$ (0)	\$ -
End of Fiscal Year Fund Balance	\$ -				\$ 22,063	\$ 11,191	\$ 11,191	\$ 11,191	\$ 11,191	\$ 11,191	\$ 11,191

The City's legal debt limit is 10% of the State Equalized Value, for fiscal year beginning July 1, 2019 that debt limit is \$36,786,465.

With \$6,666,113 of total outstanding principal (2013 General Obligation Refunding Bond, 2013 Honeywell Energy Project and the 2016 Limited Tax General Obligation Refunding Bond), the city is far below its borrowing limits.

Property taxes are collected for the debt service requirements on the 2013 General Obligation Refunding Bond that was issued December 2013. This bond will be paid in full in October 2025. The total principal outstanding for this bond is currently at \$1,600,000.

SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS

2013 \$2,465,000 General Obligation Refunding Bonds				
Issuance date: December 2013				
Funding Source: Property tax				
Fiscal year	Principal	Interest October	Interest April	Total payments
2019/2020	210,000.00	24,961.25	22,336.25	257,297.50
2020/2021	255,000.00	22,336.25	18,511.25	295,847.50
2021/2022	250,000.00	18,511.25	14,761.25	283,272.50
2022/2023	250,000.00	14,761.25	9,761.25	274,522.50
2023/2024	320,000.00	9,761.25	4,961.25	334,722.50
2024/2025	315,000.00	4,961.25	0.00	319,961.25
	1,600,000.00	95,292.50	70,331.25	1,765,623.75

ENTERPRISE FUNDS

Enterprise Funds are used to report any municipal activity which a fee is charged to users for goods or services and these fees are then used to recover many of the costs within the fund.

The Village of Grosse Pointe Shores has two enterprise funds:

- Water and Sewer Fund – used to account for the operations of the City’s water and sewer systems.
- Marina Fund – used to account for the operations of the City’s Marina.

WATER AND SEWER FUND – 556

The Water and Sewer Fund is an enterprise fund and is primarily funded by customer charges based on water usage.

The Village of Grosse Pointe Shores is one of 126 communities that receive its water from the Great Lakes Water Authority, which provides drinking water to approximately 4.2 million people. The system uses water drawn from two intakes in the Detroit River – one to the north near the mouth of Lake St. Clair and one to the south near Lake Erie. The water is directed to four large water treatment plants for processing before travelling the many miles of water mains to our community.

Grosse Pointe Shores has approximately 17.6 miles of water main lines servicing the community. The average age of the water mains is over 62 years old.

Sewage is transferred to the Detroit Sewage treatment facility via the Southeast Macomb Sanitary District (SEMSD). The SEMSD own and operate the sewer system which includes the sewage pumps and pipeline.

There are over 29.5 miles of storm and sanitary sewer lines with an average age of 51 years.

WATER AND SEWER FUND – 556 (Continued)

	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
REVENUES											
SAW Grant Revenue	\$ -	\$ -	\$ 235,596	\$ -	\$ 56,799	\$ 146,799	\$ 30,000	\$ -	\$ -	\$ -	\$ -
Sale of Water, Meters and Taps	\$ 2,164,537	\$ 2,302,391	\$ 2,284,091	\$ 2,584,640	\$ 1,925,463	\$ 2,311,742	\$ 2,913,630	\$ 2,986,471	\$ 3,061,133	\$ 3,137,661	\$ 3,216,102
Water Penalties	\$ 12,695	\$ 12,733	\$ 12,567	\$ 12,500	\$ 12,558	\$ 12,558	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500
Miscellaneous	\$ -	\$ 232,363	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2003 Bond Appropriation from Debt Service	\$ 234,370	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2013 Bond Appropriation from Debt Service	\$ 161,750	\$ 159,113	\$ 153,954	\$ 148,567	\$ 148,567	\$ 148,567	\$ 146,058	\$ 167,916	\$ 160,786	\$ 155,824	\$ 189,958
Amortization of Bond Premium	\$ 4,026	\$ 4,026	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds on Sale of Capital Asset	\$ -	\$ -	\$ -	\$ -	\$ 4,490	\$ 4,490	\$ -	\$ -	\$ -	\$ -	\$ -
Surplus Fund Used	\$ -	\$ -	\$ -	\$ 13,393	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 2,577,378	\$ 2,710,626	\$ 2,686,208	\$ 2,759,100	\$ 2,147,877	\$ 2,624,156	\$ 3,102,188	\$ 3,166,887	\$ 3,234,419	\$ 3,305,985	\$ 3,418,560
EXPENDITURES											
Personal Services	\$ 225,000	\$ 225,000	\$ 280,000	\$ 225,000	\$ 112,500	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000
Wages - FLSA Non-exempt	\$ 49,805	\$ 50,550	\$ 51,875	\$ 53,172	\$ 44,486	\$ 54,687	\$ 64,911	\$ 54,494	\$ 55,856	\$ 57,253	\$ 58,684
Seasonal wages	\$ -	\$ 1,860	\$ 2,895	\$ 2,500	\$ 2,150	\$ 3,550	\$ 3,639	\$ 3,730	\$ 3,823	\$ 3,919	\$ 4,016
Overtime	\$ 1,956	\$ 3,202	\$ 3,566	\$ 3,753	\$ 2,492	\$ 3,492	\$ 3,579	\$ 3,669	\$ 3,761	\$ 3,855	\$ 3,951
Social Security	\$ 3,789	\$ 4,159	\$ 4,338	\$ 4,896	\$ 4,279	\$ 5,179	\$ 5,308	\$ 5,441	\$ 5,577	\$ 5,717	\$ 5,860
Health Care Insurance	\$ 12,965	\$ 11,478	\$ 13,219	\$ 14,456	\$ 7,541	\$ 8,079	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
Life Insurance	\$ 424	\$ 450	\$ 490	\$ 524	\$ 456	\$ 498	\$ 510	\$ 523	\$ 536	\$ 550	\$ 563
Pension Contribution	\$ 9,524	\$ 10,079	\$ 12,256	\$ 10,795	\$ 8,762	\$ 8,762	\$ 9,638	\$ 10,602	\$ 11,662	\$ 12,828	\$ 14,111
Compensated Absences	\$ (3,628)	\$ (1,406)	\$ 270	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Longevity	\$ 1,000	\$ 1,000	\$ 1,000	\$ 600	\$ -	\$ 600	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800
Workers Compensation	\$ 1,440	\$ 1,388	\$ 1,400	\$ 2,259	\$ 2,431	\$ 2,431	\$ 2,492	\$ 2,554	\$ 2,618	\$ 2,683	\$ 2,750
Uniforms	\$ 695	\$ 691	\$ 625	\$ 800	\$ 954	\$ 954	\$ 625	\$ 625	\$ 625	\$ 625	\$ 625
Miscellaneous Expense	\$ 1,014	\$ 623	\$ 934	\$ 2,500	\$ 621	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Sewage Costs	\$ 647,831	\$ 636,284	\$ 636,284	\$ 733,559	\$ 527,713	\$ 712,034	\$ 919,098	\$ 920,000	\$ 920,000	\$ 920,000	\$ 920,000
Water Purchased	\$ 611,918	\$ 623,313	\$ 645,554	\$ 662,922	\$ 502,606	\$ 671,020	\$ 655,163	\$ 671,542	\$ 688,331	\$ 705,539	\$ 723,177
Repair and Maintenance of Sewer System	\$ 62,563	\$ 157,550	\$ 503,806	\$ 250,000	\$ 429,295	\$ 470,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Repair and Maintenance of Water System	\$ 93,157	\$ 151,297	\$ 152,854	\$ 200,000	\$ 88,366	\$ 100,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
COLA	\$ -	\$ 882	\$ 426	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
Amortization Expense	\$ 6,980	\$ 6,980	\$ 2,954	\$ -	\$ -	\$ 2,954	\$ 2,954	\$ 2,954	\$ 2,954	\$ 2,954	\$ 2,954
Depreciation	\$ 477,092	\$ 477,092	\$ 483,713	\$ 480,667	\$ -	\$ 480,667	\$ 480,667	\$ 480,667	\$ 480,667	\$ 480,667	\$ 480,677
Equipment	\$ -	\$ -	\$ -	\$ 80,000	\$ 24,529	\$ 24,529	\$ -	\$ -	\$ -	\$ -	\$ -
Pension Expense	\$ 98,236	\$ 86,501	\$ 47,042	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
2003 Bond Interest	\$ 2,196	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2013 Bond Interest	\$ 36,868	\$ 34,373	\$ 29,988	\$ 29,497	\$ 29,497	\$ 29,497	\$ 26,818	\$ 23,161	\$ 18,866	\$ 13,904	\$ 8,348
Agent Fees	\$ 142	\$ -	\$ 142	\$ -	\$ 142	\$ 142	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150
	\$ 2,340,967	\$ 2,483,346	\$ 2,875,631	\$ 2,759,100	\$ 1,790,020	\$ 2,856,275	\$ 2,907,053	\$ 2,911,612	\$ 2,926,926	\$ 2,942,143	\$ 2,957,368

Personal services are paid by the Water/Sewer fund to pay for services provided to the fund from personnel accounted for under the General Fund as well as items such as audit fees and liability insurance premiums.

MARINA FUND – 594

	ACTUAL YEAR END 2015/2016	ACTUAL YEAR END 2016/2017	ACTUAL YEAR END 2017/2018	BUDGET 2018/2019	AS OF 5/1/2019	ESTIMATED YEAR END 2018/2019	PROPOSED BUDGET 2019/2020	FORECAST BUDGET 2020/2021	FORECAST BUDGET 2021/2022	FORECAST BUDGET 2022/2023	FORECAST BUDGET 2023/2024
REVENUES											
Interest	\$ 811	\$ 1,193	\$ 1,197	\$ 1,234	\$ 901	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
Boatwell Revenue	\$ 251,649	\$ 209,702	\$ 216,379	\$ 221,009	\$ 225,964	\$ 227,000	\$ 233,810	\$ 240,824	\$ 248,049	\$ 255,490	\$ 263,155
Electrical Revenue	\$ 6,104	\$ 5,183	\$ 4,925	\$ 5,383	\$ 4,905	\$ 4,900	\$ 4,900	\$ 4,900	\$ 4,900	\$ 4,900	\$ 4,900
Miscellaneous Revenue	\$ 10,594	\$ 14,175	\$ 10,911	\$ 10,600	\$ -	\$ 10,600	\$ 10,600	\$ 10,600	\$ 10,600	\$ 10,600	\$ 10,600
Contribution from General Fund	\$ 100,000	\$ 125,000	\$ 100,000	\$ 50,000	\$ 25,000	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
	\$ 369,158	\$ 355,253	\$ 333,412	\$ 288,226	\$ 256,770	\$ 293,700	\$ 250,510	\$ 307,524	\$ 314,749	\$ 322,190	\$ 329,855
EXPENDITURES											
Miscellaneous Expense	\$ 3,366	\$ 10,550	\$ 13,021	\$ 5,000	\$ 6,594	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500
Project Costs	\$ -	\$ 23,565	\$ 25,151	\$ 50,000	\$ 2,809	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Electricity Expense	\$ 8,799	\$ 8,076	\$ 9,513	\$ 9,298	\$ 9,239	\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500
Contribution to General Fund	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Depreciation Expense	\$ 77,387	\$ 77,387	\$ 77,387	\$ 77,387	\$ -	\$ 77,387	\$ 77,387	\$ 77,387	\$ 77,387	\$ 77,387	\$ 77,387
Amortization Expense	\$ -	\$ -	\$ (9,729)	\$ -	\$ -	\$ (9,729)	\$ (9,729)	\$ (9,729)	\$ (9,729)	\$ (9,729)	\$ (9,729)
Bond Issuance Expense	\$ 52,849	\$ 4,021	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bond Premium	\$ (332,124)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bond Interest	\$ 150,938	\$ 124,321	\$ 116,050	\$ 114,550	\$ 114,550	\$ 114,550	\$ 112,550	\$ 110,550	\$ 107,550	\$ 102,650	\$ 96,850
Agent Fees	\$ 750	\$ 1,000	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750
To Surplus Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ (38,035)	\$ 248,920	\$ 242,143	\$ 256,985	\$ 133,942	\$ 206,958	\$ 204,958	\$ 202,958	\$ 199,958	\$ 195,058	\$ 189,258
BUDGET NET REVENUES (Expenditures)	\$ 407,193	\$ 106,333	\$ 91,269	\$ 31,241	\$ 122,828	\$ 86,742	\$ 45,552	\$ 104,566	\$ 114,791	\$ 127,132	\$ 140,597

The Marina Fund is also an enterprise fund that is primarily funded by the users of the marina.

The Harbor is open from April 15 to November 15 of each year with boat slips available to residents of Grosse Pointe Shores. After resident requests for slips are fulfilled, non-residents may rent any available slips upon receipt of a resident letter of sponsorship. Non-resident rental fees include a 20% premium.

Currently the Marina contains 133 boat well slips, 30 personal watercraft pods, and storage rack space for 28 kayaks. A waiting list is maintained by the Administrative Office for those boaters wishing a well of a specific size when that size is not currently available.



MARINA FUND – 594 (Continued)

In 2016, the City was able to refund (refinance) the Marina's General Obligation Limited Tax Bonds of 2007. The 2007 issue contained interest rates ranging from 4% to 4.375%. The new issue reduced the interest rates ranging from 2% to 4% - a estimated gross savings to the City of \$569,000. This savings was mainly due to our increased Standard & Poor's rating of AAA.

Schedule of Principal and Interest Payments

2016 \$3,310,000 Limited Tax General Obligation Refunding Bonds				
Issuance date: January 2016				
Funding Source: Marina Revenues				
Fiscal year	Principal	Interest October	Interest April	Total payments
2019/2020	100,000.00	56,775.00	55,775.00	212,550.00
2020/2021	100,000.00	55,775.00	54,775.00	210,550.00
2021/2022	100,000.00	54,775.00	52,775.00	207,550.00
2022/2023	145,000.00	52,775.00	49,875.00	247,650.00
2023/2024	145,000.00	49,875.00	46,975.00	241,850.00
2024/2025	140,000.00	46,975.00	44,175.00	231,150.00
2025/2026	140,000.00	44,175.00	41,375.00	225,550.00
2026/2027	140,000.00	41,375.00	38,575.00	219,950.00
2027/2028	190,000.00	38,575.00	34,775.00	263,350.00
2028/2029	190,000.00	34,775.00	30,975.00	255,750.00
2029/2030	190,000.00	30,975.00	27,175.00	248,150.00
2030/2031	190,000.00	27,175.00	23,375.00	240,550.00
2031/2032	185,000.00	23,375.00	19,675.00	228,050.00
2032/2033	235,000.00	19,675.00	14,975.00	269,650.00
2033/2034	235,000.00	14,975.00	10,275.00	260,250.00
2034/2035	230,000.00	10,275.00	6,825.00	247,100.00
2035/2036	230,000.00	6,825.00	3,375.00	240,200.00
2036/2037	225,000.00	3,375.00		228,375.00
	3,110,000.00	612,500.00	555,725.00	4,278,225.00

RESERVE ACCOUNTS

Governmental Fund Balance is simply the difference between assets and liabilities. Each fiscal year, the excess of revenues for the period over the same period's expenditures will increase the fund balance. In the case where the fiscal period's expenditures exceed the same period's revenues, the fund balance will decrease.

The fund balance account is not a cash account. The calculation of fund balance will include assets such as cash and receivables as well as liabilities such as payables. A portion of fund balance may be dedicated for assets such as inventory or may be committed by the City council for a specific project.

A variety of people review a community's fund balance for several reasons. Whether it is a taxpayer wondering about their community's financial position or maybe a bond analyst researching the financial status of an outstanding bond issue, the fund balance is a valuable tool to many.

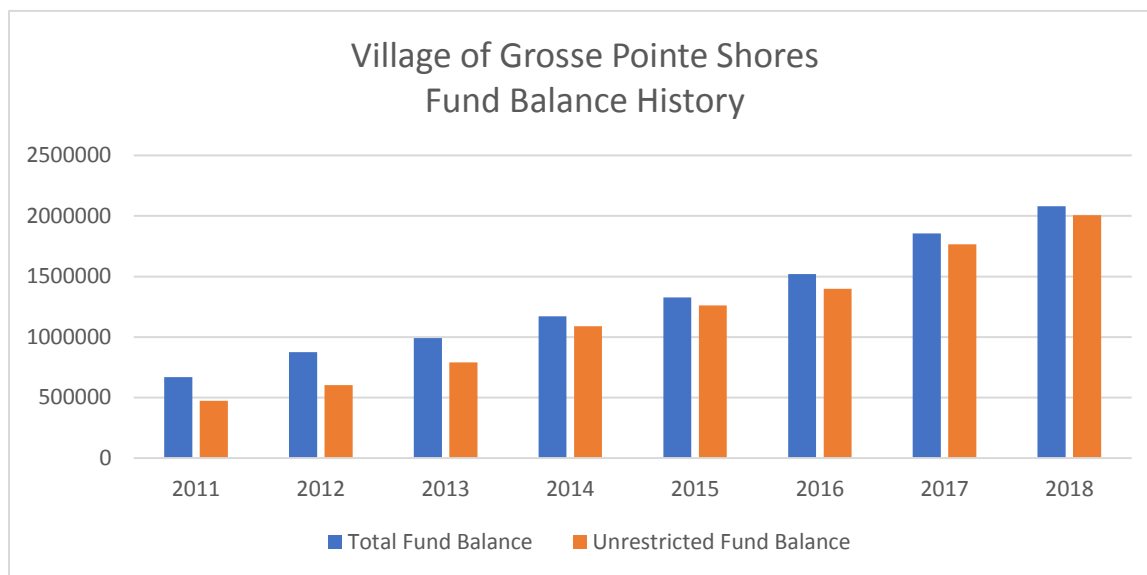
Fund Balance Policy

The Government Finance Officers Association recommends maintaining a General Fund fund balance equal to a minimum of two months of operations – roughly 17%. This recommendation was created so that a community can manage current and future risks, especially in times of a turbulent economy or even an emergency.

A fund balance also provides cash to finance operations from the beginning of the fiscal year until revenues are collected such as the property taxes. Having available cash to finance the first few months allows the City to avoid short term borrowing and the associated interest costs.

The Village of Grosse Pointe Shores' City Council set a goal of 25% in November 2015 up from the previous goal of 20%. The City's goal is to have three months of revenue on hand in case of unforeseen scenarios. As of June 30, 2018, the collective unrestricted fund balance for the General Fund was \$2,007,322 or 31.6% of total expenditures.

Fund balance is required to be reported in two types – reserved and unreserved. A reserved fund balance is the portion of the fund balance that is reserved for particular uses such as inventories or prepaid expenditures. The unreserved fund balance is the portion that can be used for any purpose of the fund. Often portions of the unreserved fund balance may be designated for use in a particular manner. The Village of Grosse Pointe Shores has one such unreserved accounts.



Capital Equipment/Improvement Reserve

The Capital Equipment/Improvement Reserve was created during Fiscal Year ending June 30, 2015 in order to set aside funds for the replacement of the City's capital equipment and the improvements of the City's capital assets. As discussed earlier in this report, replacing some of our equipment can be very costly and a burden to a single fiscal year budget – such as a new fire engine or a new refuse truck. The capital equipment/improvement reserve allows the City to save for such expenditures.

Each year projects are identified that will need to be addressed in the near future. This is a crucial budget planning component for the overall operational management of the City's infrastructure as well as the equipment needed to carry out the delivery of City services.

Project types:

- Projects that would require debt or borrowing
- Any acquisition of land
- Construction of new buildings or facilities
- Building improvements
- Purchase of major equipment and vehicles

With each capital project or purchase, there is a variety of criteria that is reviewed:

- The relationship of the item to the community needs
- The relationship of the item to other ongoing projects
- Is the project/purchase a Federal or State requirement
- The relationship of the item to the availability of funds

Each year, the Administrative staff reviews with the Finance Committee any project requests and vehicle and equipment requests from the department heads and City Council members. The items are prioritized and financial planning begins.

VILLAGE OF GROSSE POINTE SHORES, A MICHIGAN CITY INVESTMENT POLICY

Purpose: It is the purpose of the Village of Grosse Pointe Shores, A Michigan City to invest its funds in a manner which provides for security of principal and for high returns on investments, while meeting the City's routine and extraordinary cash flow needs in compliance with provisions of State statutes that govern investments of public funds.

Scope: The investment policy shall cover all financial assets of the City that are accounted for in various funds and accounts of the City and that include general, special revenue, debt service, enterprise, and trust and agency types of funds and accounts and any other type of fund or account that might be established by the City. This policy does not apply to the employee pension fund or the retiree health care fund which are organized and administered separately.

Objectives: The primary objectives, in order of priority, of the City's investment activities shall be:

- Safety of principal is the foremost objective of the investment policy. Investments of the City shall be made to insure the preservation of the portfolio's overall capital.
- The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
- The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, in consideration of risk constraints and cash flow characteristics of the portfolio.
- All participants in the investment process shall seek to act responsibly as custodians of the public trust. The investment program shall be designed and managed with a degree of professionalism worthy of the public trust.

Authority Delegation: The City Finance Officer/Treasurer is designated as the investment officer of the Village of Grosse Pointe Shores, A Michigan City and is responsible for carrying out investment decisions and activities. The City Finance Officer/Treasurer is authorized to make investment decisions taking into account cash flow needs and associated risks of investments. In the event the City Finance Officer/Treasurer is unavailable, the City Manager is authorized to carry out these same duties.

Authorized Investments: The investment of surplus funds shall be as follows:

- Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States;
- Certificates of deposit, savings accounts, deposit accounts, or depository of a financial institution, provided the financial institution is eligible to be a depository of funds belonging to the state under a law or rule of this state or the United States;
- Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase;
- United States government or federal agency obligation repurchase agreements consisting of bonds, securities, and other obligations of the United States;
- Bankers' acceptances of United States banks;
- Obligations of this state or any of its political subdivisions that at the time of purchase are rated investment grade by not less than one standard rating service.

Safekeeping: All securities purchased by the Village of Grosse Pointe Shores, A Michigan City under this section shall be properly designated as an asset of the City and held in safekeeping by a third party custodial bank

chartered by the United States government or the State of Michigan, and no withdrawal of such securities, in whole or in part, shall be made from safekeeping except by the Finance Officer/Treasurer as authorized herein.

All security transactions, including collateral for repurchase agreements and financial institution deposits, that are entered into by the City may be held on a cash basis for a delivery-versus-payment basis as determined by the Treasurer. A third-party custodian may hold securities as designated by the Finance Officer/Treasurer and evidenced by safekeeping receipts as determined by the Finance Officer/Treasurer. A safekeeping receipt from the issuing bank, as is the law in the State of Michigan, shall evidence non-negotiable, non-collateralized certificates of deposit.

Diversification: Dividing investments by specific dates, security types and institutions so that potential losses of individual securities do not exceed income that would be generated by the remainder of the portfolio. Investment maturities for operating funds shall be scheduled to coincide with projected cash flow needs, taking into account routine needs (payroll, bills, debt service) as well as considering anticipated revenue (taxes, state revenue sharing payments).

Adoption of policy: This investment policy shall be adopted by resolution of the City Council. Any modifications made thereto must be approved by the City Council. This policy shall be effective the day following adoption by the City Council.

Glossary: Because this policy is to be available to the public as well as the governing body, it is important a glossary of related terminology be part of the policy.

Bankers' Acceptance: A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

Certificate of Deposit: A time deposit with a specific maturity evidenced by a certificate.

Collateral: Securities, evidence of deposit, or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Delivery versus Payment: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

Diversification: Dividing investment funds among a variety of securities offering independent returns.

Liquidity: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value.

Maturity: The date upon which the principal or stated value of an investment becomes due and payable.

Money Market: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc) are issued and traded.

Portfolio: Collection of securities held by an investor.

Rate of Return: The yield obtainable on a security based on its purchase price or its current market price.

Repurchase Agreement: A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate this.

Safekeeping: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

Village of Grosse Pointe Shores, A Michigan City
Policies and Procedures
Debt Management Policy

The purpose for the Debt Management Policy for the Village of Grosse Pointe Shores is to assist in the prudent administration of any debt which might be required. In addition, the adoption of this policy will provide for a common understanding between elected officials and staff regarding debt financing. Another benefit of following this Debt Management Policy will be the establishment and maintenance of a credit rating beneficial to the City. Finally, the Debt Management Policy will help to facilitate sound Capital Budgeting and Capital Expenditure procedures.

General Obligation Debt – There are two types of general obligation debt, limited tax general obligation debt and unlimited tax general obligation debt. Limited tax general obligation debt pledges the full faith and credit of the taxing power of the Village of Grosse Pointe Shores within the existing tax rate limits. Limited tax bonds become a first budget obligation of the City's General Fund. Unlimited tax general obligation debt pledges the full faith and credit of the taxing power of the Village of Grosse Pointe Shores beyond the existing tax rate limits provided the voters have given their approval. General obligation debt is normally limited to ten percent of State Equalized Value.

Revenue Bonds – Revenue Bonds will be considered when there is a definable revenue source which could be used to pay the debt. Revenue Bonds normally must meet certain bond covenants required by the bond market. Certain debt ratios such as pledged revenues to debt service may also be required to be reported.

- The City shall seek to maintain its current AAA bond rating so borrowing costs are minimized and access to credit is preserved. It is imperative that the city demonstrates to rating agencies, investment bankers, creditors, and taxpayers that city officials are following a prescribed financial plan. The city will follow a policy of full disclosure by communicating with bond rating agencies to inform them of the city's financial condition.
- The City recognizes that it is important that elected and appointed City officials, and all others associated with the issuance of City debt, not only avoid the reality of a conflict of interest, but the appearance of a conflict of interest as well.
- Bonds will be sold on a competitive basis unless it is in the best interest of the City to conduct a negotiated sale. Competitive sales will be the preferred method. Negotiated sales may occur when selling bonds for a defeasance of existing debt, for refunding of existing debt, or for other appropriate reasons.
- Bond proceeds should be limited to financing the costs of planning, design, land acquisition, buildings, permanent structures, attached fixtures or equipment, and movable pieces of equipment, such as fire engines, or other costs as permitted by law. Acceptable uses of bond proceeds can be viewed as items which can be capitalized. Non-capital furnishings and supplies will not be financed from bond proceeds. Refunding bond issues designed to restructure current outstanding debt are an acceptable use of bond proceeds. It is the intent of this section to restrict the use of bond proceeds, generally, for financing projects which are capital in nature and not related to operations.

- The City may use the services of qualified internal staff and outside advisors to assist in the analysis, evaluation, and decision process, including bond counsel, financial advisors and investment bankers. Recognizing the importance and value to the City's creditworthiness and marketability of the City's bonds, this policy is intended to ensure that potential debt complies with all laws and regulations, as well as being of sound financial principles.
- The City shall comply with all continuing disclosure requirements. The Finance Officer/Treasurer shall be responsible for completing the continuing disclosure requirement.

VILLAGE OF GROSSE POINTE SHORES, A MICHIGAN CITY ACH AND ELECTRONIC TRANSACTIONS POLICY

Purpose: It is the purpose of the Village of Grosse Pointe Shores, A Michigan City to perform ACH and electronic transactions when required or in the best interest of the City as described by Public Act 738 of 2002, State of Michigan.

Scope: The ACH and electronic transaction policy shall cover financial transactions necessary in the ordinary scope of business for the Village of Grosse Pointe Shores, A Michigan City.

Objectives: The primary objectives of the City's ACH and electronic transactions policy shall be to comply with Federal and State payment requirements and to provide prompt and immediate payments to vendors as contracted with specific vendors.

Authority Delegation: The City Finance Officer/Treasurer is designated as the individual responsible for establishing all ACH arrangements for the City. The City Finance Officer/Treasurer shall be responsible for accounting, reporting, and generally overseeing compliance. The City Finance Officer/Treasurer shall submit documentation to the City Council of payments made on a monthly basis.

Typical transactions: The City Finance Officer/Treasurer is required to make payments of Federal payroll taxes using the ACH method. Distributions of property tax revenue collected for other governmental entities, payments for health insurance and related premiums and required scheduled payments to financial institutions are typical transactions performed electronically.

Deposits may be made electronically to the City's accounts from state, county, and/or federal authorities, and from third-party payment processors.

Adoption of policy: This ACH and electronic transactions policy shall be adopted by resolution of the City Council. Any modifications made thereto must be approved by the City Council. This policy shall be effective the day following adoption by the City Council.

Glossary: Because this policy is to be available to the public as well as the governing body, it is important a glossary of related terminology be part of the policy.

ACH: [Automatic Clearing House](#). A nationwide [electronic funds transfer](#) network which enables participating [financial institutions](#) to distribute electronic [credit](#) and [debit](#) entries to [bank accounts](#) and to [settle](#) such entries.

Electronic transaction: an [act](#) of [sending money electronically](#), especially over the [internet](#).

Glossary

Accrual accounting – A method of accounting in which revenues are recognized in the accounting period in which they were earned, and expenses are recognized in the accounting period in which they incurred.

Approved budget – The revenue and expenditure plan for the City for a fiscal year as reviewed and approved by the City Council.

Assessed valuation is the value placed on a property equal to 50% of the fair market value as required by State law.

Audit – A comprehensive review of the City's financial records. The main purpose of an audit is to issue an opinion of the presentation of the financial statements and to test controls over the safekeeping of the City's assets.

Balance budget – A budget where the revenues and other financing sources equal the expenditures and other financing uses.

Bond – a written promise to pay (debt) a specified sum of money at a specified future date(s) along with periodic interest paid at a specified percentage of the principal. Bonds are typically used for long-term debt to pay for specific capital improvements.

Budget – A plan of financial operations based on an estimate of proposed expenditures for a given period and the proposed means of financing them.

Budget adjustment – Adjustments may be made during the fiscal year by the City Council to account for any unanticipated changes in revenues and/or expenditures that were not initially approved.

Capital Expenditure – an expense made to purchase new equipment or improve a long-term asset.

Council – The legislative body (City Council) whose elected members are assigned duties and responsibilities by law.

Debt Service – The associated costs of paying principal and interest payments on borrowed funds according to a predetermined payment schedule.

Department – A major activity of the City.

Depreciation – A portion of the cost of a capital asset used during the year.

Enterprise fund – A fund in which the services provided are financed and operated similarly to that of a business. The cost of the service is to be financed by the users of the service. Rate schedules are established to assure adequate funding to meet the necessary expenses.

Expenditure is the cost of goods received and/or services rendered.

Fiscal year – The City's fiscal year is July 1 through June 30.

Fund – a fiscal and accounting entity.

Glossary (Continued)

Fund balance is the excess of a fund's accumulated assets over its liabilities. Excess revenues over expenditures at the fiscal year end will increase a fund's fund balance.

General Fund – the major operating fund of the City that records all financial transactions for the City except those funds required to be accounted for in another fund.

General obligation bonds – Bonds that finance a variety of public improvement projects that are pledged with the full faith and credit of the City.

Governmental fund – A fund generally used to account for tax-supported activities.

Grosse Pointe Shores Improvement Foundation (GPSIF) – A volunteer non-profit organization established in 1984 by a group of Grosse Pointe Shores residents to initiate and fund community enhancements.

Infrastructure – The physical framework or foundation of the City – buildings, roads, sidewalks, water and sewer systems.

Legacy Costs – Costs incurred by the City in prior years usually consisting of obligations to pay health care costs for retirees.

Local street fund – The fund that collects money paid by the State and accounts for all construction, maintenance, traffic services, and snow/ice removal on all streets classified as local.

Major street fund – The fund that collects money paid by the State and accounts for all construction, maintenance, traffic services, and snow/ice removal on all streets classified as major.

Mill – A taxation unit equal to one dollar of property tax for every \$1,000 of a property's taxable valuation.

Millage – A taxation rate expressed in mills per dollar.

Modified accrual accounting – A basis of accounting where expenditures are accrued but revenues are accounted for when they become measurable and available.

OPEB – Other post-employment benefits.

Property tax – A tax based on the taxable value on real and personal property. Tax liability lies on the owner of record as of Tax Day.

Proposal A is the State constitutional amendment that was approved by the voters of Michigan in 1994 which limits the increase in taxable value to a property to the Consumer Price Index or 5%, whichever is less. This applies to all parcels of properties that did not have a transfer of ownership in the preceding year. For properties that have a change of ownership or where additions or new construction has taken place, the taxable value is uncapped to the assessed value.

Public Hearing – An open meeting regarding a proposed project, document or pending Council action that provides citizens an opportunity to voice their views prior to the City Council action.

Glossary (Continued)

Revenue – An addition to the assets of a fund that does not increase liabilities nor represent an expenditure recovery.

Special revenue fund – Funds used to account for specific revenues that are legally restricted to specific expenditures.

State Equalized Value (SEV) – The assessed valuation of a property within the City that is determined by the City's Assessor, reviewed and adjusted if needed by the City's Board of Review and the State Tax Commission to assure an assessment level of 50% of the market value as required by State Law.

Surplus Funds – Funds not immediately needed to pay demands as determined by management.

Taxable Value – The value used as a basis to levy property taxes. Established by a state constitutional amendment, increases in value attributed to market increases are limited to the lesser of the rate of inflation or 5%. Upon a change in ownership, the taxable value returns to 50% of market value (true cash value).